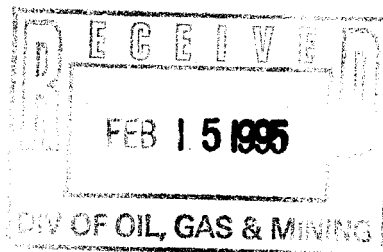




Coastal

The Energy People

February 13, 1995



Bureau of Land Management
Vernal District Office
170 South 500 East
Vernal, Utah 84078

Re: NBU #228
Section 17, T9S-R21E
Uintah County, Utah

To whom it may concern:

Enclosed is the Application for Permit to Drill (APD), the Drilling Program, and the Surface Use and Operations Plan for the above described well. Please note that additional copies have been sent to the BIA and the Ute Tribe.

A copy of the Class III Archaeological Survey was sent to you by Metcalf Archaeological Consultants, Inc. The entire affected location was surveyed, although some parts were surveyed at different times than the others. No sites of significance were found.

If you have any questions concerning the enclosed documents, please contact me at (303) 573-4476.

Sincerely,

Bonnie Johnston
Environmental Analyst

Enc.

cc: Ute Tribe - Attn: Ferron Secakuku
BIA - Attn: Dianne Mitchell
~~Division of Oil, Gas, and Mining - SLC, UT~~

Coastal Oil & Gas Corporation

A SUBSIDIARY OF THE COASTAL CORPORATION

600 17TH ST • STE 800 S • P O BOX 749 • DENVER CO 80201-0749 • 303 572-1121

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
U-0575

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 5 1995

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Coastal Oil & Gas Corporation

3. ADDRESS OF OPERATOR

P.O. Box 749, Denver, CO 80201-0749

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At surface

660' FSL & 1843' FEL

At proposed prod. zone

Same as above

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 17.5 miles SE of Ouray, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any) 660'

16. NO. OF ACRES IN LEASE

1600

17. NO. OF ACRES ASSIGNED
TO THIS WELL

N/A

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1221'

19. PROPOSED DEPTH

6400'

20. ROTARY OR CABLE TOOLS

rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4848' GR

22. APPROX. DATE WORK WILL START*

Upon approval

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	250'	155 cf or suff. to circ. to surface
7-7/8"	5-1/2"	17#	6400'	1664 cf or suff. to circ. to surface

Coastal Oil & Gas Corporation proposes to drill a well to 6400' to test the Wasatch formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No.1, attached.

Coastal Oil & Gas Corporation is considered to be the operator of the above referenced well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage pursuant to 43CFR3104 for lease activities is being provided by Coastal Oil & Gas Corporation under their Nationwide Bond #CO-0018 and U605382-9 and Nationwide Bond.No. 115066.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Danise Under

TITLE

Environmental Analyst

DATE

2/13/95

(This space for Federal or State office use)

PERMIT NO.

43-047-32636

APPROVAL DATE

APPROVED BY

[Signature]

TITLE

DATE

3/10/95

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

COASTAL OIL & GAS CORP.

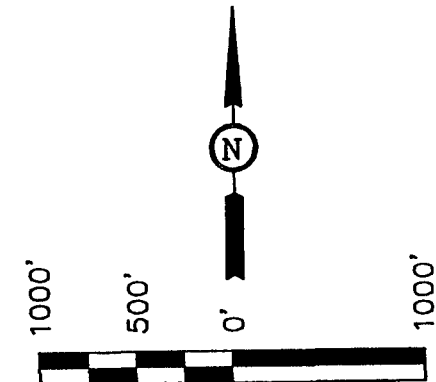
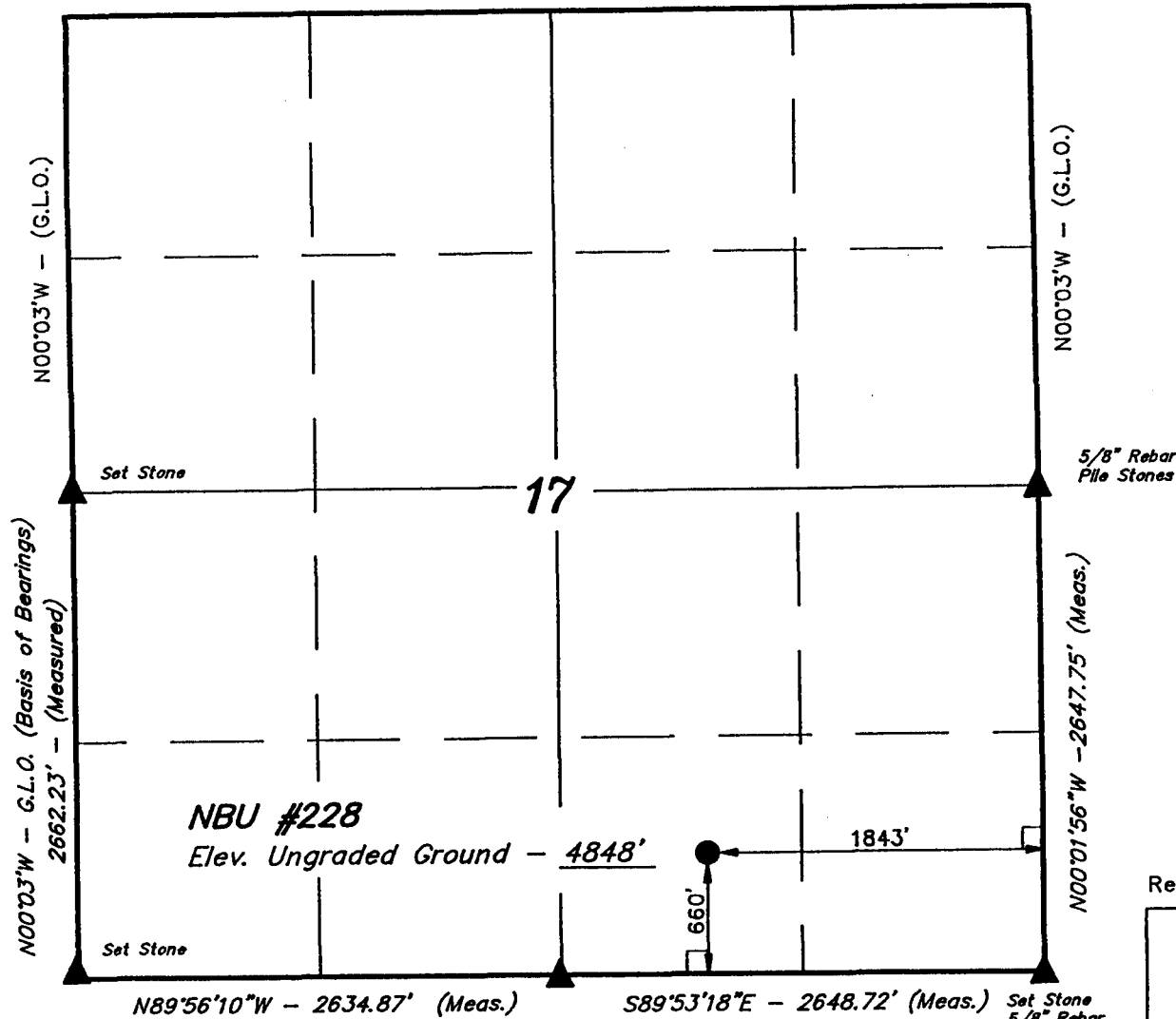
T9S, R21E, S.L.B.&M.

Well location, NBU #228, located as shown in the SW 1/4 SE 1/4 of Section 17, T9S, R21E, S.L.B.&M. Uintah County, Utah.

S89°57'W - 79.98 (G.L.O.)

BASIS OF ELEVATION

SPOT ELEVATION AT THE SE CORNER OF SECTION 17, T9S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4867 FEET.



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert J. Kay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

Revised: 1-25-95 D.R.B.

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

Set Stone
5/8" Rebar
Uintah County
Cap

Set Stone
5/8" Rebar
Uintah County
Cap

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-5-95	DATE DRAWN: 01-9-95
PARTY L.D.T. D.G. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE COASTAL OIL & GAS CORP.	

NBU #228
660' FSL & 1843' FEL
SW/SE, SECTION 17, T9S-R21E
Uintah County, Utah
Lease Number: U-0575

ONSHORE ORDER NO. 1
Coastal Oil & Gas Corporation

DRILLING PROGRAM

All lease and /or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Order No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uintah	Surface
Wasatch	5090'
Total Depth	6400'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil	N/A	
Gas	Wasatch	5090'
Water	N/A	
Other Minerals	N/A	

All freshwater and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment (Schematic Attached)

Coastal's minimum specifications for pressure control equipment are as follows:

Ram type: Hydraulic double with hydril, 2000 psi w.p.

Ram type preventors and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have

failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventors (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test will be performed when initially installed; whenever any seal subject to test pressure is broken; following related repairs; or at 30-day intervals.

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s), the check valve shall be held open or the ball removed.

Annular preventors shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip; however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

Pressure tests shall apply to all related well control equipment.

All of the above described tests and/drills shall be recorded in the drilling log.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventor controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventors will be inspected and operated at least daily to ensure good mechanical working order, and this inspection shall be recorded on the daily drilling report. Preventors will be pressure tested before drilling casing cement plugs.

The District Office should be notified, with sufficient lead time, in order to have the BLM representative on location during pressure testing.

a. The size and the rating of the BOP stack is shown on the

attached diagram. Although a rig has not been chosen to drill this well, most of the equipment for this depth of hole in the area use a 2000 psi working pressure blowout preventor.

- b. A choke line and a kill line are to be properly installed. The kill line is not be used as a fill-up line.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventors.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.

4. Proposed Casing and Cementing Program:

- a. The proposed casing program will be as follows:

<u>Purpose</u>	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Wt/ft</u>	<u>Grade</u>	<u>Type</u>
Surface	0-250'	12-1/4"	8-5/8"	24#	K-55	ST&C
Product.	0-6400'	7-7/8"	5-1/2"	17#	K-55	LT&C

The proposed casing and cementing program shall be conducted as approved to protect and/or isolate all usable water zones, potentially productive zones, lost circulation zones, abnormally pressured zones, and any prospectively valuable deposits of minerals. Any isolating medium other than cement shall receive approval prior to use. The casing setting depth shall be calculated to position the casing seat opposite a competent formation which will contain the maximum pressure to which it will be exposed during normal drilling operations. Determination of casing setting depth shall be based on all relevant factors, including: presence/absence of hydrocarbons; fracture gradients; usable water zones; formation pressures; lost circulation zones; other minerals; or other unusual characteristics. All indications of usable water shall be reported.

Casing design shall assume formation pressure gradients of 0.44 to 0.50 psi per foot for exploratory wells (lacking better data).

Casing design shall assume fracture gradients from 0.70 to 1.00 psi per foot for exploratory wells (lacking better data).

Casing collars shall have a minimum clearance of 0.422" of

all sides in the hole/casing annulus, with recognition that variances can be granted for justified exceptions.

All waiting on cement times shall be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

All casing, except conductor casing, shall be new or reconditioned and tested. Used casing shall meet or exceed API standards for new casing.

The surface casing shall be cemented back to surface either during the primary cement job or by remedial cementing.

All indications of usable water shall be reported to the authorized officer prior to running the next string of casing or before plugging orders are requested, whichever occurs first.

Surface casing shall have centralizers on every fourth joint of casing, starting with the shoe joint and up to the bottom of the cellar.

Top plugs shall be used to reduce contamination of cement by displacement fluid. A bottom plug or other acceptable technique, such as a suitable preflush fluid, inner string cement method, etc., shall be utilized to help isolate the cement from contamination by the mud being displaced ahead of the cement slurry.

All casing strings below the conductor shall be pressure tested to 0.22 psi per foot of casing string length or to 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield. If pressure declines more than 10% in 30 minutes, corrective action shall be taken.

On all exploratory wells, and on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole. Casing design subject to revision based on geologic conditions encountered.

b. The cement program will be as follows:

<u>Surface</u>	<u>Type and Amount</u>
0-250'	Prem V cmt w/2% CaCl ₂ & 1/4#/sx Flocele circulated to surface w/100% excess, approximately 155 cf
<u>Production</u>	<u>Type</u>
0-4500'	Lead 1: HiFill Std @ 11ppg, 3.82 yield, approximately 1170 cf
4500-5400'	Lead 2: Halco-Lite @ 12.4 ppg, 2.07 yield, approximately 230 cf
5400-6400'	Tail: Type "H" 50-50 Poz @ 14.2ppg, 1.24 yield, approximately 260 cf

Anticipated cement tops will be reported as to depth, not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

After cementing, but before commencing any test, the casing string shall stand cemented until the cement has reached a compressive strength of at least 500 psi at the shoe. WOC time shall be recorded in the driller's log.

c. The following reports shall be filed with the District Manager within 30 days after the work is completed:

1. Progress reports, Form 3160-5, "Sundry Notices and Reports on Wells," must include the following information:
 - a) Setting of each string of casing, showing the size, grade, weight of casing set, setting depth, amounts and type of cement used, whether cement circulated or the top of the cement behind the casing, depth of the cementing tools used, casing test method and results, and the date of the work done. Spud date will be shown on the first reports submitted.
 - b) Temperature or bond logs must be submitted for each well where the casing cement was not circulated to the surface.

d. Auxiliary equipment to be used as follows:

1. Kelly cock
2. No bit float is deemed necessary.
3. A sub with a full opening valve

5. Drilling Fluids Program

a.	<u>Interval</u>	<u>Type</u>
	0-6400'	aerated mist

Sufficient quantities of mud materials will be maintained or readily accessible for the purpose of assuring well control during the course of drilling operations.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, static filtration loss, and Ph.

- b. Mud monitoring equipment will be checked periodically each tour of the mud system. The mud level will be checked visually.
- c. No chromate additives will be used in the mud system on Federal and/or Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.
- d. No chemicals subject to reporting under SARA Title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

6. Evaluation Program

a. Logging Program:

Dual Laterlog & Caliper	TD to base of surface casing
FDC/CNL/GR	TD to 2500'

Drill Stem Tests: None anticipated

Cores: None anticipated

The evaluation program may change at the discretion of the wellsite geologist.

Drill stem tests, if they are run, will adhere to the following requirements:

Initial opening of the drill stem test tools shall be restricted to daylight hours unless specific approval to start during other hours is obtained from the authorized officer. However, DST's may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e. lighting which is adequate for visibility and vapor-proof for safe operations). Packers can be released, but tripping shall not begin before daylight, unless prior approval is obtained from the authorized officer. Closed chamber DST's may be performed day or night.

Some means of reverse circulation shall be provided in case of flow to the surface showing evidence of hydrocarbons.

Separation equipment required for the anticipated recovery shall be properly installed before a test starts.

All engines within 100 feet of the wellbore that are required to be operational during the test shall have spark arresters or water-cooled exhausts.

- b. Whether the well is completed as a dry hole or a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the authorized officer.
- c. No stimulation or frac treatment has been formulated for this well at this time; however, the drill site, as approved, will be of sufficient size to accommodate all completion activities. Any frac treatment program specifics will be submitted via sundry notices.

7. Abnormal Conditions

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered in or known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure approximately equals 2560 psi (calculated at 0.4 psi/foot) and maximum anticipated surface pressure equals approximately 1408 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. Anticipated Starting Dates and Notification of Operations

a. Drilling Activity

Anticipated commencement date: Upon approval of this application
Drilling days: Approximately 10 days
Completion days: Approximately 7 days

b. Notification of Operations

The BLM in Vernal, Utah, will be notified at least 24 hours prior to the commencement of spudding the well (to be followed with a Sundry Notice, Form 3160-5), of initiating pressure tests of the blow-out preventer and related equipment, and running casing and cementing of all casing strings.

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in suspended status without prior approval from the Authorized Officer. If operations are to be suspended, prior approval of the Authorized Officer will be obtained and notification given before resumption of operations.

In accordance with Onshore Oil and Gas Order No. 1, this well will be reported on Form 3160-6, "Monthly Report of Operations," starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, Utah 84078.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice," Form 3160-5, to that effect will be filed, for prior approval of the Authorized Officer, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production, the Authorized Officer will be notified when the well is placed in a producing status. Such notification will be sent by written communication not later than 5 days following the date when the well is placed on production.

Pursuant to Onshore Order No. 7, with the approval of the District Engineer, produced water may be temporarily disposed of into unlined pits for a period of up to 90 days. During this period, an application for approval of the permanent disposal method, accompanied by water analysis and other required information, must be submitted to the District Engineer.

Pursuant to NTL-4A, lessees or operators are authorized to vent/flare gas during the initial well evaluation tests, not to exceed 30 days or the production of 50 MMCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received for any venting/flaring of gas beyond the initial 30 day or authorized test period.

A schematic facilities diagram, as required by 43 CFR 3162.7-5 (b.9.d.), shall be submitted to the District Office within 60 days of installation or first production, whichever occurs first. All site security regulations, as specified in Onshore Oil & Gas Order No. 3, shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (b.4).

A first production conference will be scheduled within 15 days after receipt of the first production notice.

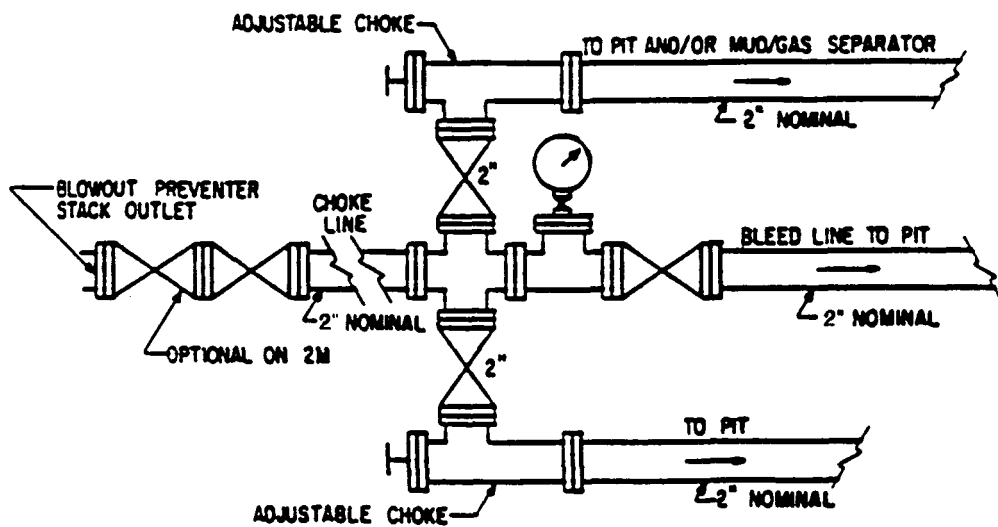
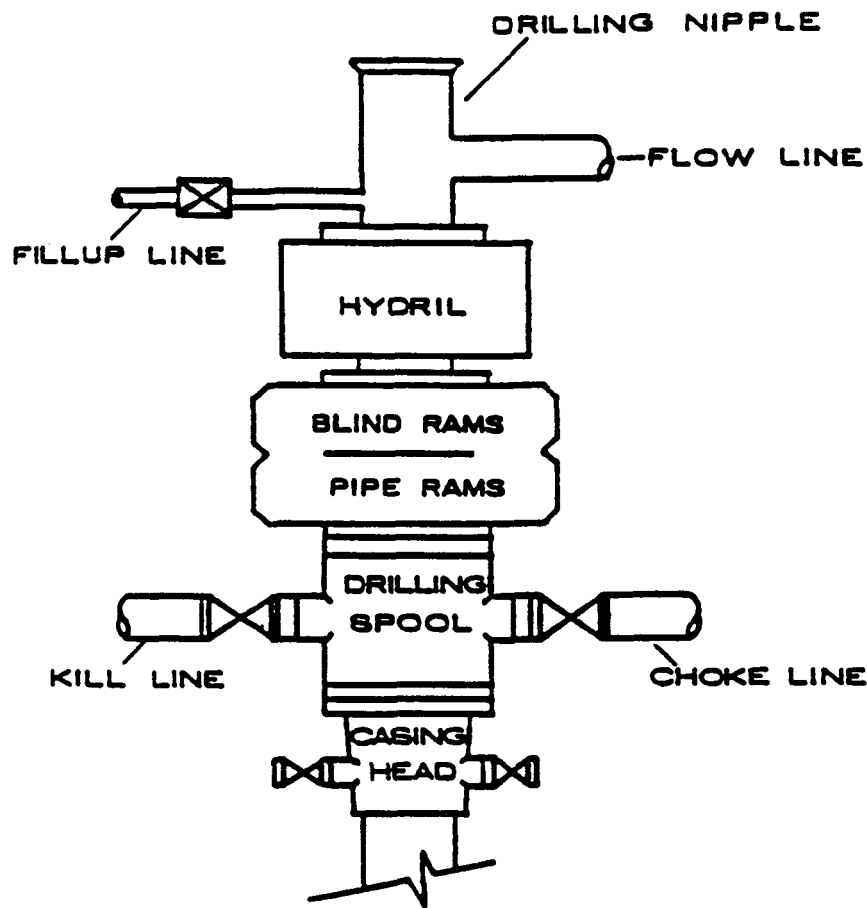
No well abandonment operations will be commenced without the prior approval of the Authorized Officer. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the Authorized Officer. A "Subsequent Report of Abandonment," Form 3160-5, will be filed with the Authorized Officer within 30 days following completion of the well for abandonment. This report will indicate

placement of the plugs and current status of the surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Authorized Officer or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas Order No. 1, lessees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with the State and local laws, to the extent to which they are applicable, to operations on Federal or Indian lands.

BOP STACK

2,000 PSI



2,000 PSI CHOKE MANIFOLD

NBU #228
660' FSL & 1843' FEL
SW/SE, SECTION 17, T9S-R21E
Uintah County, Utah
Lease Number: U-0575

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE AND OPERATIONS PLAN

NOTIFICATION REQUIREMENTS

Location Construction: 48 hours prior to construction of location and access roads

Location Completion: Prior to moving the drilling rig

Spud Notice: At least 24 hours prior to spudding the well

Casing String and Cementing: 24 hours prior to running casing and cementing all casing strings

BOP and Related Equipment Tests: 24 hours prior to initiating pressure tests

First Production Notice: Within 5 days after new well begins or production resumes after well has been off production for more than 90 days

The onsite inspection for this well was conducted on 1/23/95 at approximately 10:40 AM. Weather conditions were cold and overcast. In attendance at the inspection were the following individuals:

Dale Hanberg	BIA
Greg Darlington	BLM
John Kay	U.E.L.S., inc.
Alvin Ignacio	Ute Tribe
Delany Barclay	Metcalf Archaeological Consultants
Larry Tavegia	Coastal Oil & Gas Corporation
Bonnie Johnston	Coastal Oil & Gas Corporation

1. Existing Roads:

The proposed well site is approximately 17.5 miles SE of Ouray, Utah.

Directions to the location from Ouray, Utah:

Proceed in a southerly direction from Ouray, Utah approximately 6.9 miles on the Seep Ridge Road to the junction of this road and an existing oilfield service road to the east; turn left and proceed in an easterly direction along this road approximately 5.0 miles to the

junction of this road and an existing road to the north; turn left and proceed in a northerly direction approximately 0.3 miles to the junction of this road and an existing road to the northeast; turn right and proceed in a northeasterly direction approximately 1.7 miles to the junction of this road and an existing road to the north; turn left and proceed in a northeasterly direction approximately 2.2 miles to an existing location; pass through location and proceed in a westerly direction approximately 1.4 miles to the intersection of this road and an existing road to the southwest; turn left and proceed in a southwesterly direction approximately 0.4 miles to the beginning of the proposed access road; follow road flags in a westerly and northwesterly direction approximately 0.2 miles to the proposed location.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

There will be no improvements to existing access.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads

Approximately 0.2 miles of new access will be required. The new access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

The maximum grade will be less than 8%.

No turnouts are planned.

No culverts, bridges, low water crossings, or major cut and fills are necessary.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions. If so, it will consist of native materials.

No gates, cattle guards, fence cuts, or modifications to existing facilities will be necessary.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

A BIA right of way application will accompany this application.

Access roads and surface disturbing activities will conform to standrads outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches and culverts will be kept clear and free-flowing, and will be maintained according to original construction standards. The access road right-of-way will be kept free of trash during operations. All traffic will be confined to the approved Right-of-Way. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided.

3. Location of Existing Wells Within a 1-Mile Radius: See Map C
 - a. Water wells - 0
 - b. Producing wells - 12
 - c. Drilling wells - 0
 - d. Shut-in wells - 0
 - e. Temporarily abandoned wells - 0
 - f. Disposal wells - 0
 - g. Abandoned wells - 0
 - h. Injection wells - 0

4. Location of Existing and Proposed Facilities:

The following guidelines will apply if the well is productive.

- a. A diagram showing the proposed production facilities will be submitted via Sundry Notice Form 3160-5 prior to facilities installation.
- b. All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.
- c. A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.
- d. All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Desert Brown, Munsell standard color number 10 YR 6/3.

- e. If, at any time, the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), the BLM will process a change in authorization to the appropriate statute. The authorization will be subject to the appropriate rental or other financial obligation, as determined by the Authorized Officer.
- f. Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.
- g. Permission is hereby requested to construct a 4" OD steel pipeline with cathodic protection on the surface

to connect the well to the existing natural gas pipeline. The proposed pipeline leaves the wellpad in an easterly direction, parallel to the proposed access road, for an approximate distance of 1870 feet. Please see Map D, the accompanying ROW agreement, and damage plat.

h. All production facilities will be enclosed.

5. Location and Type of Water Supply

All water needed for drilling purposes will be obtained from

A1 Tank Underground Well
Section 32, T4S-R3E; E400' & N200' from south qtr. corner
Operated by Dalbo, Inc., Vernal, UT
Water Permit Number: 53617 (43-8496)

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. Source of Construction Materials

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2.3. Construction material will not be located on lease.

No construction materials will be removed from Federal/Indian lands without prior approval from the appropriate surface management agency.

7. Methods of Handling Waste Materials

a. Drill cuttings will be contained and buried in the reserve pit.

b. Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an

approved waste disposal facility within 120 days after drilling is terminated.

- c. The reserve pit will be constructed on the location and will not be located within natural drainages, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit shall be lined. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

If a plastic reinforced liner is used, it will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the Authorized Officer.

- d. After first production, produced waste water will be confined to the approved pit or storage tank for a period not to exceed 90 days. During the 90-day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with the required water analysis, will be submitted for the Authorized Officer's approval.
- e. Any spills of oil gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.
- f. A chemical porta-toilet will be furnished with the drilling rig.
- g. Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.
- h. All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

- i. No chemicals subject to reporting under SARA Title III

(hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

8. Ancillary Facilities

None are anticipated.

9. Well Site Layout: See Location Layout Diagram

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

See the attached diagram to describe rig orientation, parking areas, and access roads.

- a. The reserve pit will be located on the northeast side of the location.
- b. The stockpiled topsoil (first six inches) will be stored on the east side of the location. All brush removed from the well pad during construction will be stockpiled separately from the topsoil.
- c. The flare pit will be located on the east side of the location, downwind from the prevailing wind direction and a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
- d. Access will be from the south.
- e. All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the net

wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

- f. The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. Plans for Reclamation of the Surface

a. Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3

feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

The Authorized Officer of the appropriate surface management agency shall be contacted for the required seed mixture. Seed will be drilled on the contour to an appropriate depth.

b. Dry Hole/Abandoned Location

On lands administered by the BLM, abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and the re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership

The well site and proposed access road are situated on surface lands owned by the Uintah & Ouray Indian Tribes, and administered in trust by:

Bureau of Indian Affairs
Uintah & Ouray Agency
P.O. Box 130
Ft. Duchesne, UT 84026
(801) 722-2406

12. Other Information

- a. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of his subcontractors. A

copy of these conditions will be furnished to the field representative to ensure compliance.

- b. A Class III archaeological survey was conducted by Metcalf Archaeological Consultants. Parts of the area around the wellpad had been previously surveyed because of nearby proposed locations, access roads, and seismic surveys. The remainder of this location was surveyed on January 31, 1995. There were no findings of any significance. Copies of these reports have been submitted directly to the appropriate agencies by Metcalf Archaeological Consultants.

The operator is responsible for informing all persons in the areas who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the Authorized Officer.

Within 5 working days, the Authorized Officer will inform the operator as to : (1) whether the materials appear eligible for the National Register of Historic Places; (2) the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and (3) a time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- c. The operator will control noxious weeds along right-of-ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM or the appropriate County

Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal be submitted and approved prior to the application of herbicides or other pesticides or possibly hazardous chemicals.

- d. This permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.
- e. Operator's employees, including subcontractors, will not gather firewood along roads constructed by the Operator. If wood cutting is required, a permit will be obtained from the Forestry Department of the BIA pursuant to 25 CFR 169.13, "Assessed Damages Incident to Right of Way Authorization." All operators, subcontractors, vendors, and their employees or agents may not disturb saleable timber (including firewood) without a duly granted wood permit from the BIA Forester.
- f. All roads constructed by operators on the Uinta and Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Ute Indian Tribe, (b) the name of the operator, (c) that firearms are prohibited to all non-Ute Tribal members, (d) that permits must be obtained from the BIA before cutting firewood or other timber products, and (e) only authorized personnel are permitted.

13. Lessee's or Operators's Representative and Certification

Bonnie Johnston
Environmental Analyst
Coastal Oil & Gas Corporation
P.O. Box 749
Denver, CO 80201-0749
(303) 573-4476

Ned Shiflett
Drilling Manager
(303) 573-4455

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

The operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the

NBU #228

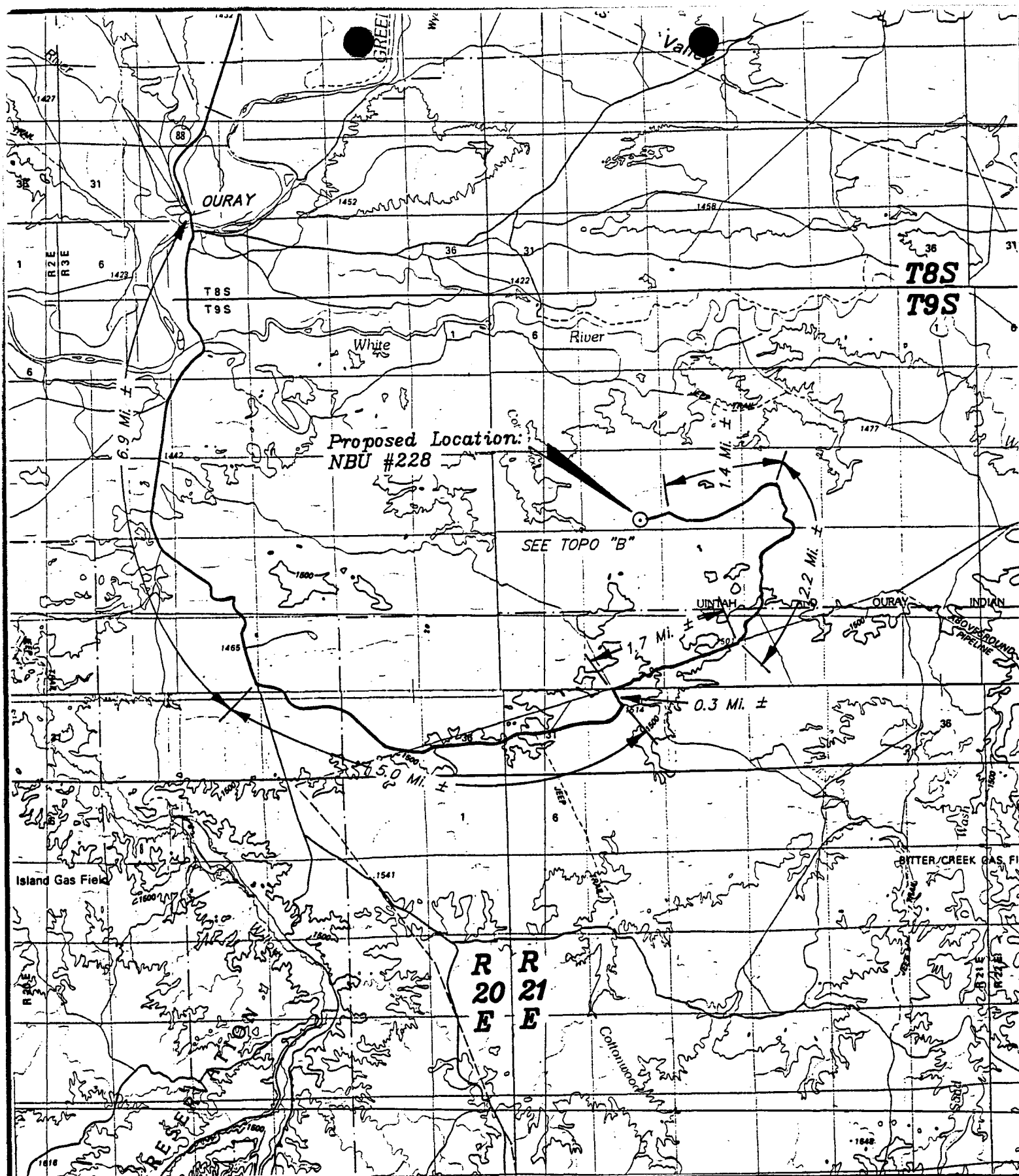
Surface Use and Operations Plan

Page 12

field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the operator, its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

2/13/95 Date Bonnie Johnston Bonnie Johnston



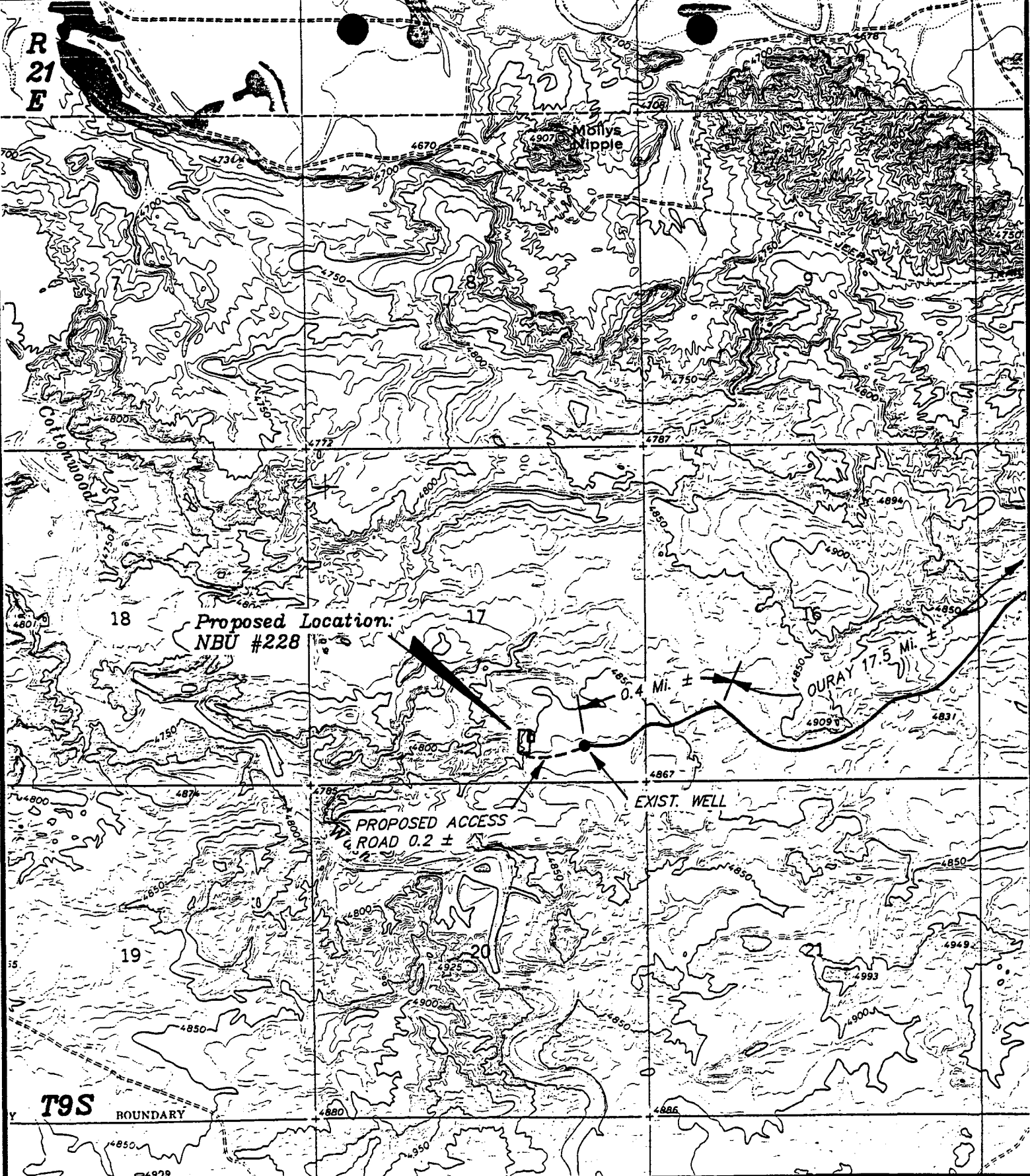
TOPOGRAPHIC
MAP "A"

Revised: 1-26-95 D.R.B.
DATE: 1-14-95 D.R.B.



COASTAL OIL & GAS CORP.

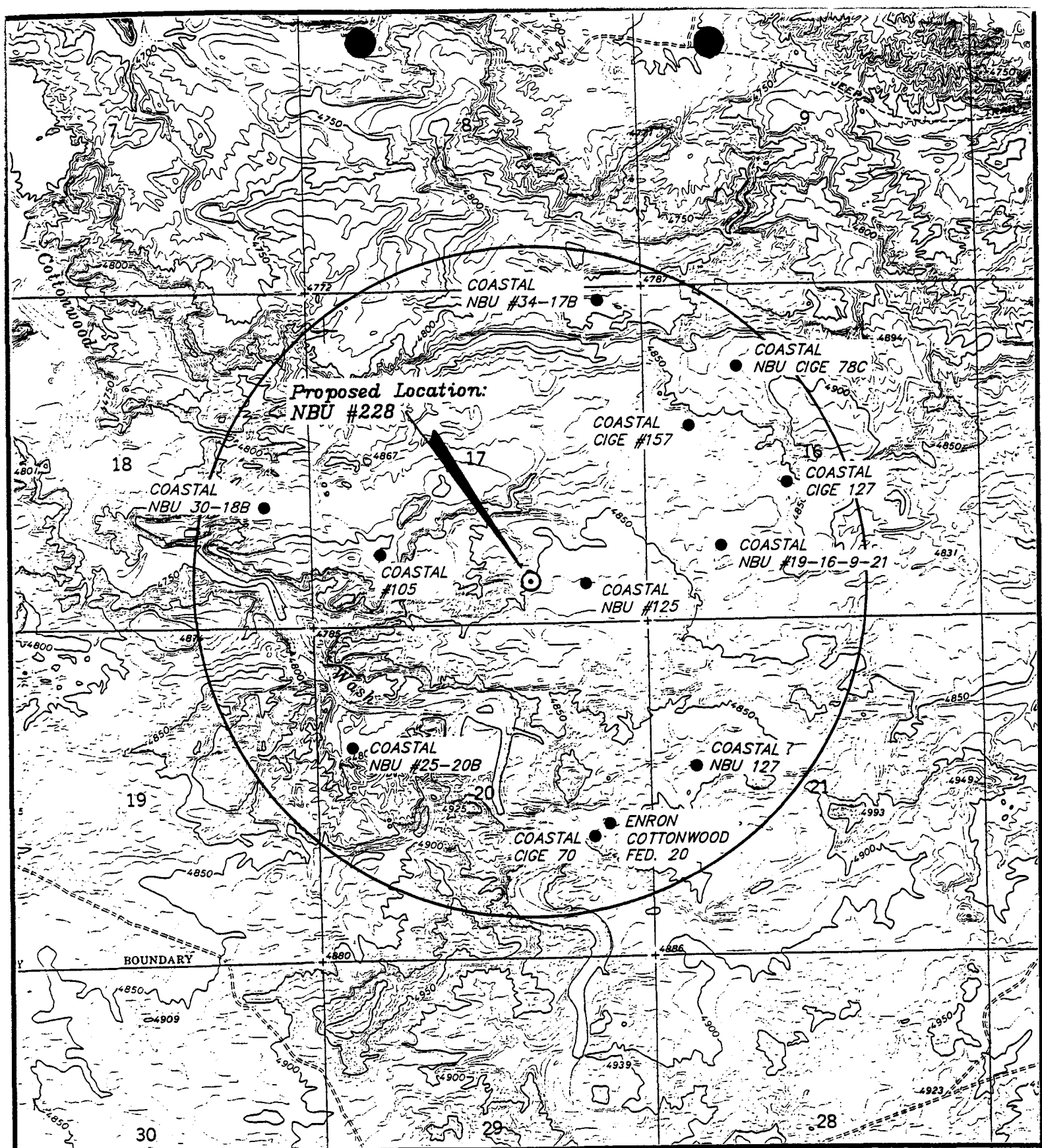
NBU #228
SECTION 17, T9S, R21E, S.L.B.&M.
660' FSL 1843' FEL



TOPOGRAPHIC
MAP "B"
SCALE: 1" = 2000'
DATE: 1-13-95 D.R.B.



COASTAL OIL & GAS CORP.
NBU #228
SECTION 17, T9S, R21E, S.L.B.&M.
660' FSL 1843' FEL
Revised: 1-26-95 D.R.B.



LEGEND:

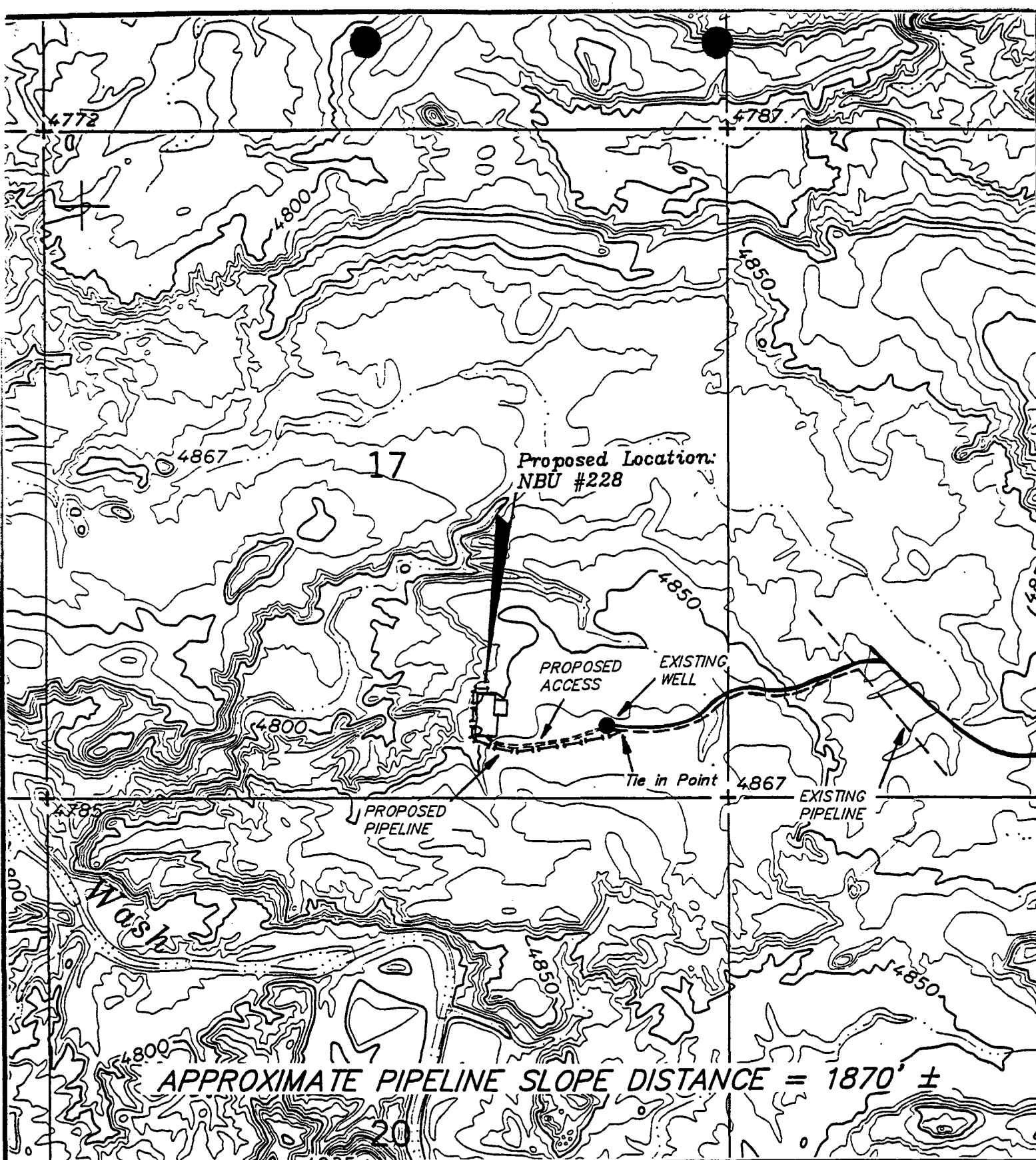
- ⊗ = Water Wells
- ◆ = Abandoned Wells
- = Temporarily Abandoned Wells
- ⊘ = Disposal Wells
- = Drilling Wells
- = Producing Wells
- = Shut-in Wells



COASTAL OIL & GAS CORP.

NBU #228
SECTION 17, T9S, R21E, S.L.B.&M.
T O P O M A P " C "

DATE: 1-17-95 D.R.B.



TOPOGRAPHIC MAP "D"

LEGEND:

- EXISTING PIPELINE
- Proposed Pipeline

SCALE: 1" = 1000'



COASTAL OIL & GAS CORP.

PROPOSED PIPELINE RIGHT-OF-WAY FOR
NBU #228
SECTION 17, T9S, R21E, S.L.B.&M.

Revised: 1-26-95 D.R.B.
DATE: 1-17-95 D.R.B.

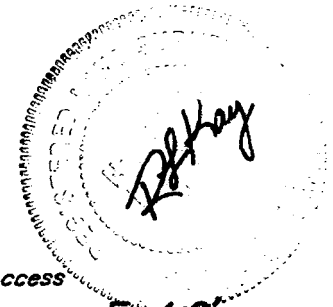
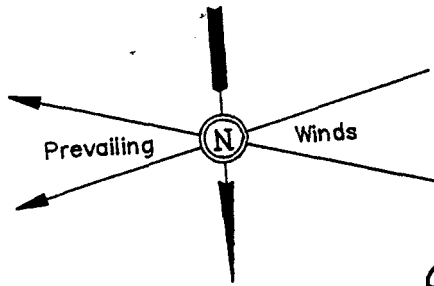
COASTAL OIL & GAS CORP.

LOCATION LAYOUT FOR

NBU #228

SECTION 17, T9S, R21E, S.L.B.&M.

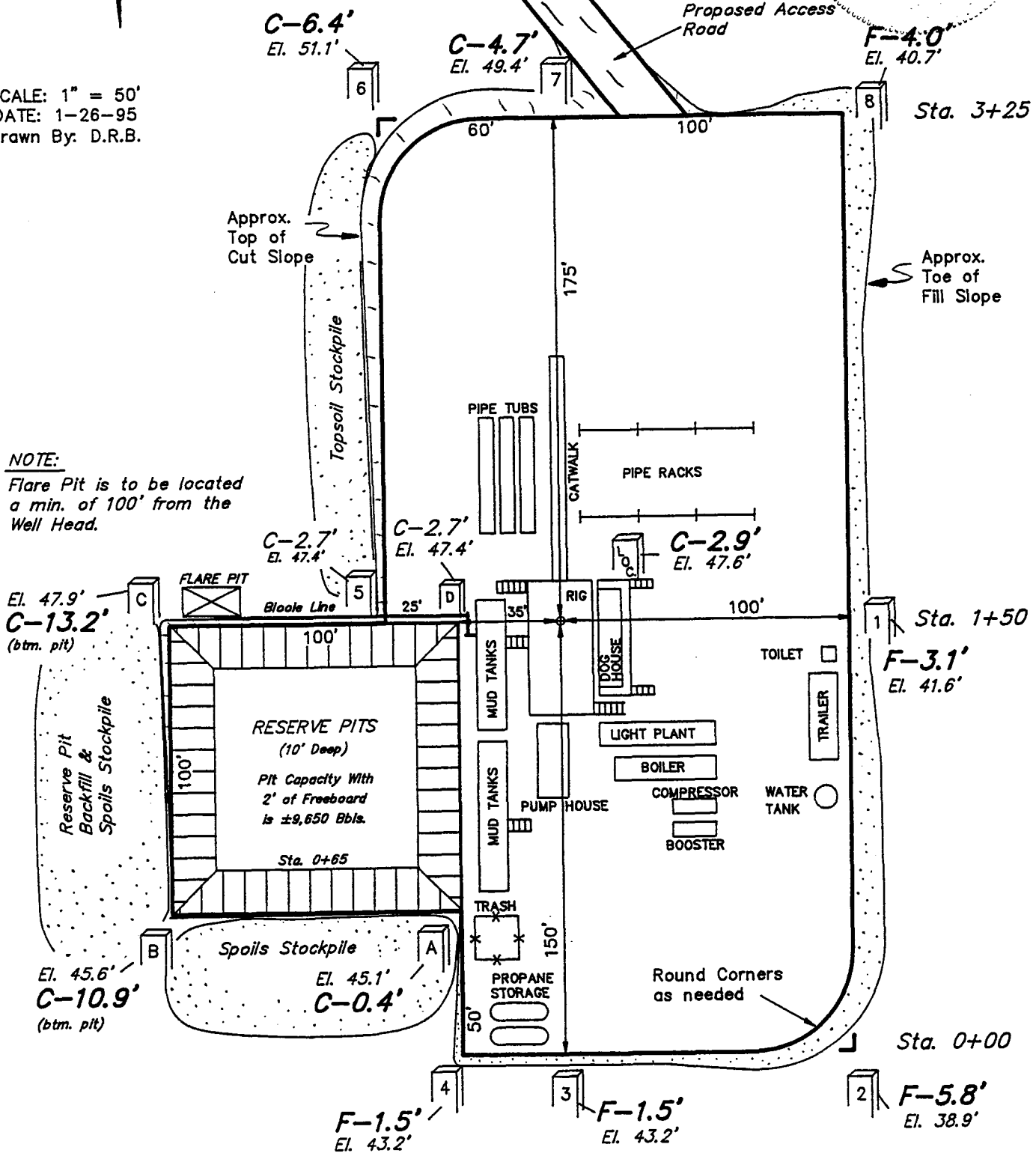
660' FSL 1843' FEL



SCALE: 1" = 50'
DATE: 1-26-95
Drawn By: D.R.B.

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = **4847.6'**
FINISHED GRADE ELEV. AT LOC. STAKE = **4844.7'**

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
86 South 200 East Vernal, Utah

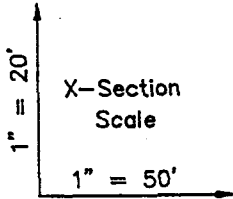
ASTAL OIL & GAS CORP.

TYPICAL CROSS SECTIONS FOR

NBU #228

SECTION 17, T9S, R21E, S.L.B.&M.

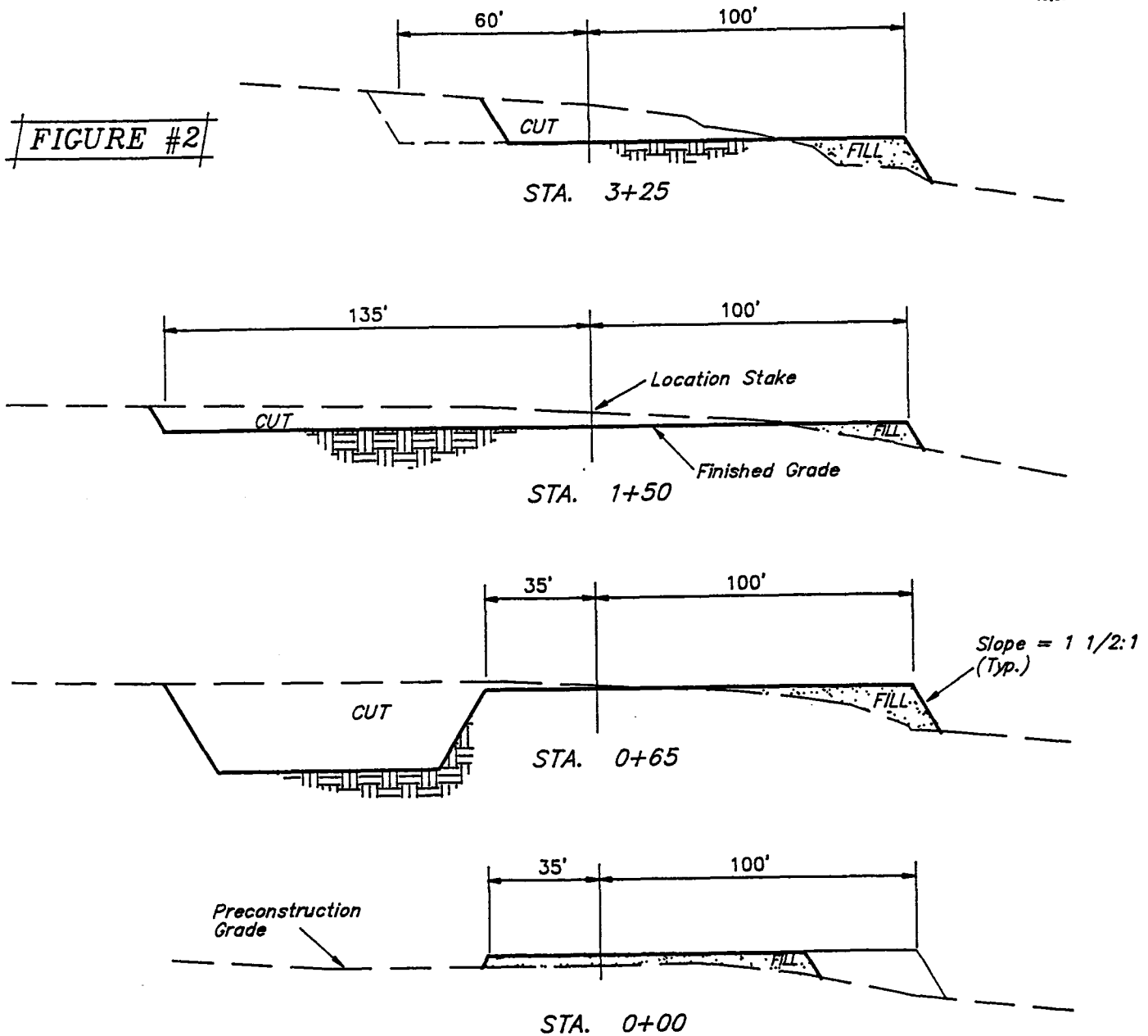
660' FSL 1843' FEL



DATE: 1-26-95
Drawn By: D.R.B.



FIGURE #2



APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 2,160 Cu. Yds.
Remaining Location	= 4,410 Cu. Yds.
TOTAL CUT	= 6,570 CU.YDS.
FILL	= 2,920 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 3,500 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,500 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 South 200 East Vernal, Utah

APPLICATION FOR GRANT OF RIGHT-OF-WAY

COASTAL OIL & GAS CORPORATION having a resident or principal place of business at 600-17th Street, Suite 800 So., Denver Colorado 80201-0794, hereby files an application with the Bureau of Indian Affairs, pursuant to the terms and provisions of the Act of February 5, 1948 (62 Stat. 17; 25 U.S.C. 323), and to the regulations of the Department of the Interior contained in Title 25, Code of Federal Regulations, Part 169, for the grant of a Right-of-Way for the following purposes and reasons:

To install a surface pipeline to connect the NBU #228 Gas Well in Production of Natural Gas.

Across the following described Indian Land: SE 1/4 Section 17, T9S, R21E, S.L.B. & M.

Said Right-of-Way to be approximately 1525.12 feet in length, 30 feet in width, and 1.050 Acres, and more particularly described and shown on the map of definite location to be attached and made a part hereof.

The applicant understands and hereby expressly agrees to the following stipulations:

- (a) To construct and maintain the Right-of-Way in a workmanlike manner.
- (b) To pay promptly all damages and compensation, in addition to the deposit made pursuant to §169.4, determined by the Secretary to be due the landowners and authorized users and occupants of the land on account of the survey, granting, construction and maintenance of the Right-of-Way.
- (c) To indemnify the landowners and authorized users and occupants against any liability for loss of life, personal injury and property damage arising from the construction, maintenance, occupancy or use of the lands by the applicant, his employees, contractors and their employees, or subcontractors and their employees.
- (d) To restore the lands as nearly as may be possible to their original condition upon the completion of construction to the extent compatible with the purpose for which the Right-of-Way was granted.
- (e) To clear and keep clear the lands within the Right-of-Way to the extent compatible with the purpose of the Right-of-Way; and to dispose of all vegetative and other material cut, uprooted, or otherwise accumulated during the construction and maintenance of the project.
- (f) To take soil and resource conservation and protection measures, including weed control, on the land covered by the Right-of-Way.
- (g) To do everything reasonable within its power to prevent and suppress fires on or near the lands to be occupied under the Right-of-Way.

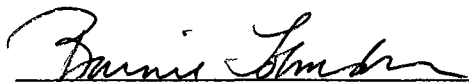
- (h) To build and repair such roads, fences, and trails as may be destroyed or injured by construction work and to build and maintain necessary and suitable crossings for all roads and trails that intersect the works constructed, maintained, or operated under the Right-of-Way.
- (i) That upon revocation or termination of the Right-of-Way, the applicant shall, so far as is reasonably possible, restore the land to its original condition.
- (j) To at all times keep the Secretary informed of its address, and in case of corporations, of the address of its principal place of business and of the names and addresses of its principal officers.
- (k) That the applicant will not interfere with the use of the lands by or under the authority of the landowners for any purpose not inconsistent with the primary purpose for which the Right-of-Way is granted.

IN WITNESS THEREOF, COASTAL OIL & GAS CORPORATION has caused this instrument to be executed this 9 day of February, 1994.


WITNESS


WITNESS

COASTAL OIL & GAS CORPORATION
APPLICANT


Bonnie Johnston
P.O Box 749
Denver, Colorado 80201-0794

SUPPORTING DOCUMENTS

- () Written consent of the landowners.
- (*) Evidence of good faith and financial responsibility.
- (X) \$1391.25 estimated damages. (1.050 Acres @ \$1,325.00 Per Acre)
- (*) State certified copy of corporate charter or articles of corporation.
- (*) Certified copy of resolution or bylaws of the corporation authorizing the filing of the stipulations.
- (*) State certification that the applicant is authorized to do business in the State where the land is located.
- () Certified copy of the articles of partnership or association.
- (X) Map of definite location.
- () Other:

* Corporate qualifications have been filed and are maintained by the Division of Real Property Management, Fort Duchesne Agency.

COASTAL OIL & GAS CORP.
NBU #228
ROAD RIGHT-OF-WAY & DAMAGE AREA
SECTION 17, T9S, R21E, S.L.B.&M.

TOTAL ROAD RIGHT-OF-WAY ON UTE TRIBAL LANDS

TOTAL LENGTH OF RIGHT-OF-WAY IS 1098.52' OR 0.208 MILES. WIDTH OF RIGHT-OF-WAY IS 30' (15' PERPENDICULAR ON EACH SIDE OF THE CENTERLINE). CONTAINS 0.757 ACRES MORE OR LESS.

ENGINEER'S AFFIDAVIT

STATE OF UTAH }
COUNTY OF UTAH } SS

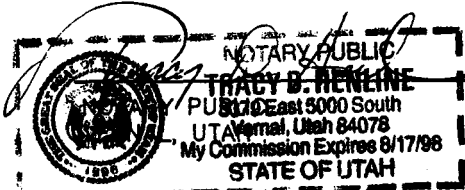
ROBERT L. KAY, BEING FIRST DULY SWORN DEPOSES AND STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR COASTAL OIL & GAS CORP., THAT THESE SURVEYS WERE MADE BY HIM (OR UNDER HIS SUPERVISION): THAT HE HAS EXAMINED THE FIELD NOTES OF THE SURVEYS OF THE DAMAGE AREA AND ROAD RIGHT-OF-WAY AS DESCRIBED AND SHOWN ON THIS MAP, THAT THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM SAID FIELD NOTES; AND THAT SAID RIGHT-OF-WAY, 0.208 MILES IN LENGTH BEGINNING AND ENDING AS SHOWN ON THIS MAP IS ACCURATELY REPRESENTED.


REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 6 DAY OF Feb 1995.

MY COMMISSION EXPIRES Aug 17, 1998.



APPLICANT'S CERTIFICATE

I, BONNIE JOHNSTON, DO HEREBY CERTIFY THAT I AM THE AGENT FOR COASTAL OIL & GAS CORP., HEREINAFTER DESIGNATED THE APPLICANT; THAT ROBERT L. KAY WHO SUBSCRIBED TO THE FOREGOING AFFIDAVIT, IS EMPLOYED BY THE APPLICANT AS A LAND SURVEYOR AND THAT HE WAS DIRECTED BY THE APPLICANT TO SURVEY THE LOCATION OF THIS DAMAGE AREA AND ROAD RIGHT-OF-WAY, 0.208 MILES IN LENGTH BEGINNING AT STA. 0+00 AND ENDING AT STA. 10+98.52, THAT SAID DAMAGE AREA AND ROAD RIGHT-OF-WAY ARE ACCURATELY REPRESENTED ON THIS MAP; THAT SUCH SURVEY AS REPRESENTED ON THIS MAP HAS BEEN ADOPTED BY THE APPLICANT AS THE DEFINITE LOCATION OF THE RIGHT-OF-WAY THEREBY SHOWN; AND THAT THE MAP HAS BEEN PREPARED TO BE FILED WITH THE SECRETARY OF THE INTERIOR OR HIS DULY AUTHORIZED REPRESENTATIVE AS PART OF THE APPLICATION FOR SAID RIGHT-OF-WAY TO BE GRANTED THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, WITH THE RIGHT TO CONSTRUCT, MAINTAIN, AND REPAIR IMPROVEMENTS, THEREON AND THEREOVER, FOR SUCH PURPOSES, AND WITH THE FURTHER RIGHT IN THE APPLICANT, ITS SUCCESSORS AND ASSIGNS TO TRANSFER THIS RIGHT-OF-WAY BY ASSIGNMENT, GRANT, OR OTHERWISE.


APPLICANT

ENVIRONMENTAL ANALYST
TITLE

Sec. 17

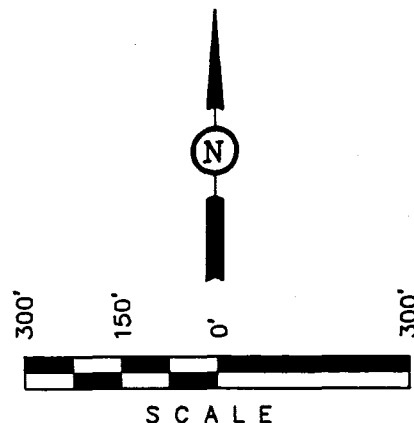
1/4 Section Line

5/8" Rebar
Pile of Stones

COASTAL OIL & GAS CORP. LOCATION DAMAGE AREA & ROAD RIGHT-OF-WAY ON UTE TRIBAL LANDS

(For the NBU #228)

LOCATED IN
SECTION 17, T9S, R21E, S.L.B.&M.
UINTAH COUNTY, UTAH



ROAD RIGHT-OF-WAY DESCRIPTION

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SE 1/4 OF SECTION 17, T9S, R21E, S.L.B.&M. WHICH BEARS N57°02'11"W 989.91' FROM THE SOUTHEAST CORNER OF SAID SECTION, THENCE S22°22'53"W 96.30'; THENCE S40°54'51"W 82.44'; THENCE S74°50'14"W 145.56'; THENCE S84°35'50"W 254.40'; THENCE N85°55'00"W 237.35'; THENCE N55°48'23"W 109.89'; THENCE N70°25'39"W 172.58' TO A POINT IN THE SAID SE 1/4 OF SECTION 17, WHICH BEARS N61°34'29"E 959.13' FROM THE SOUTH 1/4 CORNER OF SAID SECTION. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS THE WEST LINE OF THE SW 1/4 OF SAID SECTION 17, WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR N0°03'W. CONTAINS 0.757 ACRES MORE OR LESS.

1/4 Section Line

1/16 Section Line

1/16 Section Line

2647.75' (Meas.)

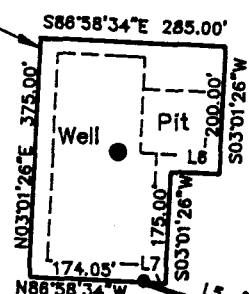
N00°01'56"W

LINE	DIRECTION	DISTANCE
L1	S22°22'53"W	96.30'
L2	S40°54'51"W	82.44'
L3	S74°50'14"W	145.56'
L4	N55°48'23"W	109.89'
L5	N70°25'39"W	172.58'
L6	N86°58'34"W	75.00'
L7	N86°58'34"W	35.95'

DAMAGE AREA NBU #228

Contains 2.152 Acres

NOTE:
Road Sta. 10+98.52 Bears
N61°34'29"E 959.13' From
the South 1/4 Corner of
Section 17, T9S, R21E,
S.L.B.&M.



Ute
Tribal

Ute
Tribal

BEGINNING OF PROPOSED
ROAD RIGHT-OF-WAY
STA. 0+00
(At Existing Well)

Centerline of Proposed
Road Right-of-Way

END OF PROPOSED
ROAD RIGHT-OF-WAY
STA. 10+98.52

West 1/4 Cor.
Sec. 17
Set Stone

N0°03'W - G.L.O. (Basis of Bearings)
2662.23' - (Measured)

SE Cor.
Sec. 17
Set Stone

N89°56'10"W
2634.87' (Meas.)

Set Stone
5/8" Rebar,
Utah County
Cap

Section Line

S89°53'18"E

2648.72' (Meas.)

Set Stone
5/8" Rebar,
Utah County
Cap

▲ = SECTION CORNERS LOCATED.

DAMAGE AREA DESCRIPTION

BEGINNING AT A POINT IN THE SE 1/4 OF SECTION 17, T9S, R21E, S.L.B.&M. WHICH BEARS N61°34'29"E 959.13' FROM THE SOUTH 1/4 CORNER OF SAID SECTION, THENCE N86°58'34"W 174.05'; THENCE N03°01'26"E 375.00'; THENCE S86°58'34"E 285.00'; THENCE S03°01'26"W 200.00'; THENCE N86°58'34"W 75.00'; THENCE S03°01'26"W 175.00'; THENCE N86°58'34"W 35.95' TO THE POINT OF BEGINNING. BASIS OF BEARINGS IS THE WEST LINE OF THE SW 1/4 OF SAID SECTION 17, WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR N0°03'W. CONTAINS 2.152 ACRES

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH - 200 EAST • (801) 789-1017
VERNAL, UTAH - 84078

SCALE 1" = 300'	DATE 2-3-95
PARTY L.T. D.G. D.R.B.	REFERENCES G.L.O. PLAT
WEATHER COLD	FILE 4 0 5 2 6

APPLICATION FOR GRANT OF RIGHT-OF-WAY

COASTAL OIL & GAS CORPORATION having a resident or principal place of business at 600-17th Street, Suite 800 So., Denver, Colorado 80201-0794, hereby files an application with the Bureau of Indian Affairs, pursuant to the terms and provisions of the Act of February 5, 1948 (62 Stat. 17; 25 U.S.C. 323), and to the regulations of the Department of the Interior contained in Title 25, Code of Federal Regulations, Part 169, for the grant of a Right-of-Way for the following purposes and reasons:

To build a drillsite and access road to service the NBU #228.

Across the following described Indian Land: SE 1/4 of Section 17, T9S, R21E, S.L.B. & M.

Drillsite = 2.152 Acres Total Acreage = 2.909 Acres
@ \$1,325.00/Ac.

Access Road = 0.757 Acres

Said Right-of-Way to be approximately 1098.52 feet in length, 30 feet in width, and 0.757 Acres , and more particularly described and shown on the map of definite location to be attached and made a part hereof.


The applicant understands and hereby expressly agrees to the following stipulations:

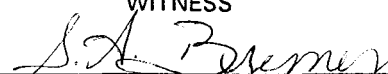
- (a) To construct and maintain the Right-of-Way in a workmanlike manner.
- (b) To pay promptly all damages and compensation, in addition to the deposit made pursuant to §169.4, determined by the Secretary to be due the landowners and authorized users and occupants of the land on account of the survey, granting, construction and maintenance of the Right-of-Way.
- (c) To indemnify the landowners and authorized users and occupants against any liability for loss of life, personal injury and property damage arising from the construction, maintenance, occupancy or use of the lands by the applicant, his employees, contractors and their employees or subcontractors and their employees.
- (d) To restore the lands as nearly as may be possible to their original condition upon the completion of the construction to the extent compatible with the purpose for which the Right-of-Way was granted.
- (e) To clear and keep clear the lands within the Right-of-Way to the extent compatible with the purpose of the Right-of-Way; and to dispose of all vegetative and other material cut, uprooted, or otherwise accumulated during the construction and maintenance of the project.
- (f) To take soil and resource conservation and protection measures, including weed control, on the land covered by the Right-of-Way.
- (g) To do everything reasonable within its power to prevent and suppress fires on or near the lands to be occupied under the Right-of-Way.

- (h) To build and repair such roads, fences, and trails as may be destroyed or injured by construction work and to build and maintain necessary and suitable crossings for all roads and trails that intersect the works constructed, maintained, or operated under the Right-of-Way.
- (i) That upon revocation or termination of the Right-of-Way, the applicant shall, so far as is reasonably possible, restore the land to its original condition.
- (j) To at all times keep the Secretary informed of its address, and in case of corporations, of the address of its principal place of business and of the names and addresses of its principal officers.
- (k) That the applicant will not interfere with the use of the lands by or under the authority of the landowners for any purpose not inconsistent with the primary purpose for which the Right-of-Way is granted.

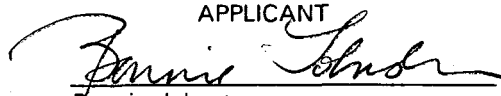
IN WITNESS THEREOF, COASTAL OIL & GAS CORPORATION has caused this instrument to be executed this

9 day of February, 1994.



WITNESS


WITNESS

COASTAL OIL & GAS CORPORATION
APPLICANT


Bonnie Johnston
P.O. Box 749
Denver, Colorado 80201-0794

SUPPORTING DOCUMENTS

- () Written consent of the landowners.
- (*) Evidence of good faith and financial responsibility.
- (X) \$3854.43 estimated damages.
- (*) State certified copy of corporate charter or articles of corporation.
- (*) Certified copy of resolution or bylaws of the corporation authorizing the filing of the stipulations.
- (*) State certification that the applicant is authorized to do business in the State where the land is located.
- () Certified copy of the articles of partnership or association.
- (X) Map of definite location.
- () Other:

* Corporate qualifications have been filed and are maintained by the Division of Real Property Management, Fort Duchesne Agency.

COASTAL OIL & GAS CORP.
NBU #228
PIPELINE RIGHT-OF-WAY
SECTION 17, T9S, R21E, S.L.B.&M.

TOTAL PIPELINE RIGHT-OF-WAY ON UTE TRIBAL LANDS

TOTAL LENGTH OF RIGHT-OF-WAY IS 1525.12' OR 0.289 MILES. WIDTH OF RIGHT-OF-WAY IS 30' (15' PERPENDICULAR ON EACH SIDE OF THE CENTERLINE). CONTAINS 1.050 ACRES MORE OR LESS.

ENGINEER'S AFFIDAVIT

STATE OF UTAH }
COUNTY OF UTAH } SS

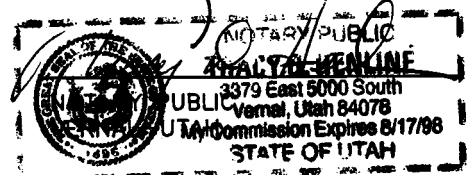
ROBERT L. KAY, BEING FIRST DULY SWORN DEPOSES AND STATES THAT HE IS THE REGISTERED LAND SURVEYOR, FOR COASTAL OIL & GAS CORP., THAT THESE SURVEYS WERE MADE BY HIM (OR UNDER HIS SUPERVISION): THAT HE HAS EXAMINED THE FIELD NOTES OF THE SURVEYS OF THE PIPELINE RIGHT-OF-WAY AS DESCRIBED AND SHOWN ON THIS MAP, THAT THIS MAP WAS PREPARED UNDER HIS DIRECTION FROM SAID FIELD NOTES; AND THAT SAID RIGHT-OF-WAY, 0.289 MILES IN LENGTH BEGINNING AND ENDING AS SHOWN ON THIS MAP IS ACCURATELY REPRESENTED.


REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

ACKNOWLEDGEMENT

SUBSCRIBED AND SWORN BEFORE ME THIS 6 DAY OF Feb 1995.

MY COMMISSION EXPIRES Aug 17, 1998.



APPLICANT'S CERTIFICATE

I, BONNIE JOHNSTON, DO HEREBY CERTIFY THAT I AM THE AGENT FOR COASTAL OIL & GAS CORP., HEREINAFTER DESIGNATED THE APPLICANT; THAT ROBERT L. KAY WHO SUBSCRIBED TO THE FOREGOING AFFIDAVIT, IS EMPLOYED BY THE APPLICANT AS A LAND SURVEYOR AND THAT HE WAS DIRECTED BY THE APPLICANT TO SURVEY THE LOCATION OF THIS PIPELINE RIGHT-OF-WAY, 0.289 MILES IN LENGTH BEGINNING AT STA. 0+00 AND ENDING AT STA. 15+25.12, THAT SAID PIPELINE RIGHT-OF-WAY IS ACCURATELY REPRESENTED ON THIS MAP; THAT SUCH SURVEY AS REPRESENTED ON THIS MAP HAS BEEN ADOPTED BY THE APPLICANT AS THE DEFINITE LOCATION OF THE RIGHT-OF-WAY THEREBY SHOWN; AND THAT THE MAP HAS BEEN PREPARED TO BE FILED WITH THE SECRETARY OF THE INTERIOR OR HIS DULY AUTHORIZED REPRESENTATIVE AS PART OF THE APPLICATION FOR SAID RIGHT-OF-WAY TO BE GRANTED THE APPLICANT, ITS SUCCESSORS AND ASSIGNS, WITH THE RIGHT TO CONSTRUCT, MAINTAIN, AND REPAIR IMPROVEMENTS, THEREON AND THEREOVER, FOR SUCH PURPOSES, AND WITH THE FURTHER RIGHT IN THE APPLICANT, ITS SUCCESSORS AND ASSIGNS TO TRANSFER THIS RIGHT-OF-WAY BY ASSIGNMENT, GRANT, OR OTHERWISE.


APPLICANT

ENVIRONMENTAL ANALYST

TITLE

Sec. 17

1/4 Section Line

5/8" Rebar
Pile of Stones

COASTAL OIL & GAS CORP.

PIPELINE RIGHT-OF-WAY ON UTE TRIBAL LANDS

(For the NBU #228)

LOCATED IN
SECTION 17, T9S, R21E, S.L.B.&M.
UINTAH COUNTY, UTAH

PIPELINE RIGHT-OF-WAY DESCRIPTION

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SE 1/4 OF SECTION 17, T9S, R21E, S.L.B.&M. WHICH BEARS N58°36'37"E 885.43' FROM THE SOUTH 1/4 CORNER OF SAID SECTION, THENCE S70°25'39"E 84.14'; THENCE S70°42'23"E 166.27'; THENCE S55°48'40"E 115.41'; THENCE S85°15'11"E 244.73'; THENCE N84°52'10"E 260.84'; THENCE N87°49'09"E 243.24'; THENCE N82°40'27"E 129.15'; THENCE N50°18'03"E 135.08'; THENCE N26°35'37"E 146.26' TO A POINT IN THE SAID SE 1/4 OF SAID SECTION 17, WHICH BEARS N42°29'46"W 765.25' FROM THE SOUTHEAST CORNER OF SAID SECTION 17. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BEARINGS IS THE WEST LINE OF THE SW 1/4 OF SAID SECTION 17, WHICH IS ASSUMED FROM G.L.O. INFORMATION TO BEAR N0°03'W. CONTAINS 1.050 ACRES MORE OR LESS.

1/4 Section Line

Section Line

2647.75' (Meas.)

1/16 Section Line

SE 1/4

1/16 Section Line

LINE	DIRECTION	DISTANCE
L1	S70°25'39"E	84.14'
L2	S55°48'40"E	115.41'
L3	N82°40'27"E	129.15'
L4	N50°18'03"E	135.08'
L5	N26°35'37"E	146.26'

END OF PROPOSED
PIPELINE RIGHT-OF-WAY
STA. 15+25.12
(At Existing Pipeline)

NBU #228
DAMAGE AREA

NOTE:
Pipeline Sta. 0+00 Bears
N58°36'37"E 885.43' From
the South 1/4 Corner of
Section 17, T9S, R21E,
S.L.B.&M.

BEGINNING OF PROPOSED
PIPELINE RIGHT-OF-WAY
STA. 0+00
(At Edge of Damage Area)

Ute
Tribal

Ute
Tribal

West 1/4 Cor.
Sec. 17
Set Stone

N0°03'W - G.L.O. (Basis of Bearings)
2662.23' - (Measured)

SE Corner
Section 17,
Set Stone

N89°56'10"W
2634.87' (Meas.)

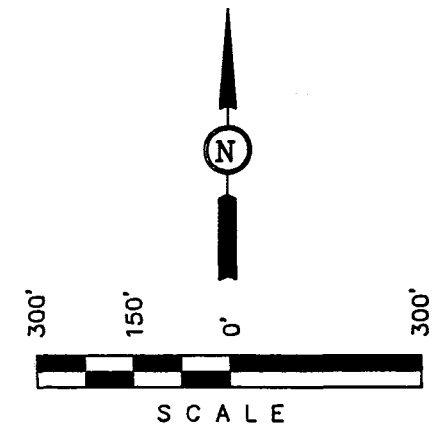
Set Stone
5/8" Rebar,
Utah County
Cap

Section Line

S89°53'18"E

2648.72' (Meas.)

Set Stone
5/8" Rebar,
Utah County
Cap



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION #01319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH - 200 EAST • (801) 789-1017
VERNAL, UTAH - 84078

SCALE 1" = 300'	DATE 2-3-95
PARTY L.T. G.S. D.R.B.	REFERENCES G.L.O. PLAT
WEATHER COLD	FILE 4 0 5 2 7

▲ = SECTION CORNERS LOCATED.

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 01/05/95

API NO. ASSIGNED: 43-047-32636

WELL NAME: NBU 228
OPERATOR: COASTAL OIL & GAS CORP (N0230)

PROPOSED LOCATION:

SWSE 17 - T09S - R21E
SURFACE: 0660-FSL-1843-FEL
BOTTOM: 0660-FSL-1843-FEL
UINTAH COUNTY
NATURAL BUTTES FIELD (630)

LEASE TYPE: FED
LEASE NUMBER: U-0575

PROPOSED PRODUCING FORMATION: WSTC

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

Y Plat
Y Bond: Federal[Y] State[] Fee[]
(Number U 605382-9)
N Potash (Y/N)
Y Oil shale (Y/N)
Y Water permit
(Number 43-8496)
N RDCC Review (Y/N)
(Date: _____)

LOCATION AND SITING:

✓ R649-2-3. Unit: UTU 630 47X
____ R649-3-2. General.
____ R649-3-3. Exception.
____ Drilling Unit.
____ Board Cause no: _____
____ Date: _____

COMMENTS: _____

STIPULATIONS: _____

STATE OF UTAH

Operator: COASTAL OIL & GAS CORP | Well Name: NBU 228

Project ID: 43-047-32636 | Location: SEC 17 T09S R21E

Design Parameters:

Mud weight (2.00 ppg) : 0.104 psi/ft
 Shut in surface pressure : 574 psi
 Internal gradient (burst) : 0.014 psi/ft
 Annular gradient (burst) : 0.000 psi/ft
 Tensile load is determined using air weight
 Service rating is "Sweet"

Design Factors:

Collapse : 1.125
 Burst : 1.00
 8 Round : 1.80 (J)
 Buttress : 1.60 (J)
 Other : 1.50 (J)
 Body Yield : 1.50 (B)

Length (feet)		Size (in.)	Weight (lb/ft)	Grade	Joint	Depth (feet)	Drift (in.)	Cost	
1	6,400	5.500	15.50	K-55	LT&C	6,400	4.825		
	Load (psi)	Collapse Strgth (psi)	S.F.	Burst Load (psi)	Min Int Strgth (psi)	Yield S.F.	Tension Load (kips)	Strgth (kips)	S.F.
1	665	4040	6.076	665	4810	7.23	99.20	239	2.41 J

Prepared by : KMH, Salt Lake City, UT

Date : 03-09-1995

Remarks :

Minimum segment length for the 6,400 foot well is 1,000 feet.

SICP is based on the ideal gas law, a gas gravity of 0.69, and a mean gas

temperature of 106°F (Surface 74°F , BHT 138°F & temp. gradient 1.000°/100 ft.)

The mud gradient and bottom hole pressures (for burst) are 0.104 psi/ft and

665 psi, respectively.

NOTE: The design factors used in this casing string design are as shown above. As a general guide-line, Lone Star Steel recommends using minimum design factors of 1.125 - Collapse (with evacuated casing), 1.0 - Burst, 1.8 - 8 Round Tension, 1.6 - Buttress Tension, and 1.5 - Body Yield. Collapse strength under axial tension was calculated based on the Westcott, Dunlop and Kemler curve. Engineering responsibility for use of this design will be that of the purchaser.

Costs for this design are based on a 1987 pricing model. (Version 1.06)

T 8 S

T 9 S

COASTAL OIL & GAS CORP
NATURAL BUTTES UNIT
NBU 228

SEC. 17, T 9 S, R 21 E

UINTAH COUNTY, OIL SHALE AREA

R 20 E

R 21 E

© NBU 228



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

March 10, 1995

Coastal Oil & Gas Corporation
P.O. Box 749
Denver, Colorado 80201-0749

Re: NBU 228 Well, 660' FSL, 1843' FEL, SW SE, Sec. 17, T. 9 S., R. 21 E., Uintah
County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Admin. R. 649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-32636.

Sincerely,

R. J. Firth
Associate Director

ldc

Enclosures

cc: Uintah County Assessor

Bureau of Land Management, Vernal District Office

WAPD

Operator: Coastal Oil & Gas Corporation

Well Name & Number: NBU 228 Well

API Number: 43-047-32636

Lease: Federal #U-0575

Location: SW SE Sec. 17 T. 9 S. R. 21 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

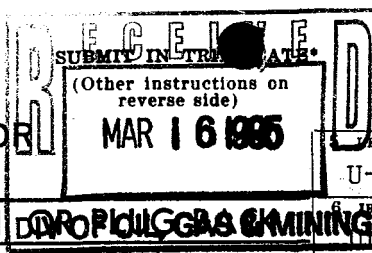
Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5340.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Frank Matthews or Mike Hebertson at (801)538-5340.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

DOGMA

APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG GAS MINING

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			7. UNIT AGREEMENT NAME Natural Buttes Unit		
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			8. FARM OR LEASE NAME NBU		
2. NAME OF OPERATOR Coastal Oil & Gas Corporation			9. WELL NO. 228		
3. ADDRESS OF OPERATOR P.O. Box 749, Denver, CO 80201-0749			10. FIELD AND POOL, OR WILDCAT Natural Buttes		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 660' FSL & 1843' FEL At proposed prod. zone Same as above			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 17, T9S-R21E		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approximately 17.5 miles SE of Ouray, Utah			12. COUNTY OR PARISH Uintah		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'			13. STATE Utah		
16. NO. OF ACRES IN LEASE 1600			17. NO. OF ACRES ASSIGNED TO THIS WELL N/A		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1221'			20. ROTARY OR CABLE TOOLS rotary		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 4848' GR			22. APPROX. DATE WORK WILL START* Upon approval		

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	250'	155 cf or suff. to circ. to surface
7-7/8"	5-1/2"	17#	6400'	1664 cf or suff. to circ. to surface

Coastal Oil & Gas Corporation proposes to drill a well to 6400' to test the Wasatch formation. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

See Onshore Order No.1, attached.

Coastal Oil & Gas Corporation is considered to be the operator of the above referenced well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage pursuant to 43CFR3104 for lease activities is being provided by Coastal Oil & Gas Corporation under their Nationwide Bond #CO-0018 and U605382-9 and Nationwide Bond.No. 115066.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Danise Stader TITLE Environmental Analyst DATE 2/13/95

(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE
APPROVED BY [Signature] TITLE ASSISTANT DISTRICT MANAGER MINERALS DATE MAR 14 1995
CONDITIONS OF APPROVAL, IF ANY:

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED TO OPERATOR'S COPY 1

*See Instructions On Reverse Side

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Coastal Oil & Gas Corporation

Well Name & Number: NBU 228

API Number: 43-047-32636

Lease Number: UTU-0575

Location: SWSE Sec. 17 T. 9S R. 21E

NOTIFICATION REQUIREMENTS

- | | | |
|---------------------------------|---|---|
| Location Construction | - | at least forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion | - | prior to moving on the drilling rig. |
| Spud Notice | - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a 2M system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

The Vernal District Office shall be notified, at least 24 hours prior to initiating the pressure tests, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As required by Utah Board of Oil, Gas and Mining cause number 197-1 order number 5 the production casing will be **CEMENTED TO SURFACE**.

The Vernal District Office shall be notified at least 24 hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to **SURFACE** and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

The Vernal District Office shall be notified, during regular work hours (7:45 a.m.-4:30 p.m., Monday through Friday except holidays), at least 24 hours **prior** to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Wayne Bankert (801) 789-4170
Petroleum Engineer

Ed Forsman (801) 789-7077
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

- Unused fracturing fluids or acids
- Gas plant cooling tower cleaning wastes
- Painting wastes
- Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids
- Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste
- Refinery wastes
- Liquid and solid wastes generated by crude oil and tank bottom reclaimers
- Used equipment lubrication oils
- Waste compressor oil, filters, and blowdown
- Used hydraulic fluids
- Waste solvents
- Waste in transportation pipeline-related pits
- Caustic or acid cleaners
- Boiler cleaning wastes
- Boiler refractory bricks
- Incinerator ash
- Laboratory wastes
- Sanitary wastes
- Pesticide wastes
- Radioactive tracer wastes
- Drums, insulation and miscellaneous solids.

**SURFACE USE PLAN OF OPERATIONS
CONDITIONS OF APPROVAL**

Page 7 of 8
Well # NBU 228

There may be a water table within 200 feet of the soil surface. Therefore, the well will have a closed production system. Produced water will not be stored on the location. It will either be piped to an injection well or piped to another existing well site and hauled to an approved disposal pit.

Within 90 days after the well is completed, the reserve pits will be backfilled. Well cuttings, clays, and additives for drilling are not considered hazardous, but excess fluids left in the pit after the well is drilled will be hauled to approved disposal pits. Loading the soil with salt from produced water will only occur when there are accidental spills. Therefore, the impact to the soil resources or ground water aquifers will be minimal.

6.0 MITIGATION STIPULATIONS

A. VEGETATION/LANDSCAPE

1. Before the site is abandoned, the company will be required to restore the well pad and access road to near their original state. The disturbed area will be reseeded with desirable perennial vegetation.

Although the road right-of-way will be 30 feet wide, the graded area of the road will be limited in most places to 21 feet between the two outer edges of the barrow pits. Where deep cuts are required for road construction, or where intersections or sharp curves occur, the road may be constructed wider than 21 feet so that large pieces of equipment will have enough room to make turns.

2. Noxious weeds will be controlled along all well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way onto adjoining land, the company will also be responsible for their control.

B. SOILS/RANGE/WATERSHEDS

1. Soil erosion will be mitigated by reseeded in all disturbed areas and by installing the following practices:

Approximately 17 rods of fence will be constructed around the reserve pit until it is back filled.

Salt and pollution loading of the soil and geological formations will be mitigated by requiring the oil company to:

- a. Line reserve pits with impervious synthetic liners.
- b. Pipe produced water off site to an injection well or to facilities where it will be hauled to an approved disposal site.
Reason(s): This stipulation would not be required but the company agreed to this practice.
- c. Production water, oil, and other by-products will not be applied to roads or well pads for the control of dust or weeds. Indiscriminate dumping of oil field by-products on tribal lands will not be allowed.

C. WILDLIFE/VEGETATION/THREATENED & ENDANGERED SPECIES

No Threatened or Endangered species have been identified associated with this project. Therefore, no stipulations have been developed for their protection.

D. CULTURAL RESOURCES

Cultural resource surveys were performed by John M. Scott of Metcalf Archaeological Consultants, Inc., in November 1994. The consultant recommends clearance of the project as it is presently staked.

During the construction of the project, an archaeologist will be present to monitor for cultural resources. If any cultural resources are encountered during construction, construction will cease and BIA and the U&O Cultural Rights and Protection Department will be consulted immediately. Construction shall not be resumed until acceptable mitigation is resolved.

UNITED STATES GOVERNMENT
memorandum

DATE:

MAR 8 1995

Superintendent, Uintah & Ouray Agency

REPLY TO
ATTN OF:

Concurrence Letter for Coastal Oil & Gas Company

SUBJECT:

BIA ROW#-H62-95-41, NEU #228, E1/2SW1/4SE1/4 and W1/2SE1/4SE1/4
Section 17, T9S., R21E., SLB&M, Uintah County, Utah.

TO:

Bureau of Land Management, Vernal District Office
Attention: Mr. Paul Andrews, Area Manager

Based on available information received on March 8, 1995 we have cleared the proposed location in the following area of environmental impact.

YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Listed threatened or endangered species
YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Critical wildlife habitat
YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Archeological or cultural resources
YES <input type="checkbox"/>	NO <input type="checkbox"/>	Air quality aspects (to be used only if a project is in or adjacent to a Class I area of attainment
YES <input type="checkbox"/>	NO <input type="checkbox"/>	Other (if necessary)

REMARKS: Environmental Analysis-6. MITIGATION STIPULATIONS
Strict conformance to Site Specific Environmental Analysis,
attached hereto is required.

Upon completion of construction, please submit an Affidavit of Completion with accompanying Certification so that we may record all pertinent documents at our Southwest Title Plant in Albuquerque, New Mexico.

If you have any question regarding said right-of-way, you may contact Mr. Charles Cameron, Acting Resources Officer or Norman Cambridge, Realty Specialist at (801) 722-2406 Ext. 52/49.

Sincerely,


Superintendent.

MAR 8 1995

PROJECT
Tracking & Progress Sheet

MAR 08 1995

Proposed Project: Coastal Well #~~228~~ NBU #228

Date Received by Land Operations: _____ Initialed by: _____

ACTION	DATE	COMMENTS
ARCH Report Completed	Jan. 95	Needs re-survey. 1-30-95
Pathology Report Completed		
Other Assessments (If Needed)	N/A	
Onsite Inspection Scheduled	1-17-95	
Onsite Inspection Completed	1-23-95	
Draft E.A. Completed	1-30-95	
E.A. Typed	1-30-95	
E.A. Delivered to Min. Mgmt.		
SHIPD	3-2-95	Received in Agency 2-28-95

Comments

The cultural resource survey was not completed by Coastal for this project. Much of the area surrounding the site has been surveyed, but some of the well site was not included in the survey. Metcalf will perform the survey 1-31-95.

Note -
After receiving the cultural Report & SHIPD clearance be sure to correct document!

**SITE SPECIFIC
ENVIRONMENTAL ANALYSIS**

1.0 PROPOSED ACTION

ANR Production Co is proposing to drill the Ute oil well #2-23A3 and construct 0.3 miles of access road, and approximately 3000 feet of surface pipeling.

2.0 ALTERNATIVE ACTIONS

- A. ALTERNATIVE CONSIDERED: The proposed action is the preferred alternative.
- B. NO ACTION: Under the no action alternative the proposed action would not be implemented.
- C. OTHER: NA

3.0 PERMITTEE/LOCATION

- A. Permittee- ANR Production Co.
- B. Date- 12-5-94
- C. Well number- Ute #2-23A3
- D. Right-of-way- Access road 0.3 miles, and pipeline r/w approximately 3000 feet.
- E. Site location SESE, Section 23, T1S, R3W, USB&M.

4.0 SITE SPECIFIC SURVEY

A. SITE DESCRIPTION

- 1. Elevation (feet) 6158
- 2. Annual precipitation (inches)- 8 to 12
- 3. Topography - Valley bottom
- 4. Soil- The soil texture is (0 to 6") Cobbly loamy sand having a rapid water intake rate and permeability.

B. VEGETATION

- 1. Habitat type is upland shrub.
- 2. Percent Ground Cover- estimated to be 40%.
- 3. Vegetation consists of approximately 40% grasses, 50% scrubs, and 10% forbs. The main variety of grass is squirltail, Indian ricegrass, poa, needle & thread, and cheat grass. Forbs are annuals. Scrubs consist of big sagebrush, prickly pear, and brigham tea.

4. Observed Threatened & Endangered species: None.
5. Potential For Threatened & Endangered species: Slight
7. Observed Noxious Weeds: None
8. AFFECTED ENVIRONMENTAL
 1. There are no surface damages as a result of the initial survey.

4.1 WILDLIFE

A. POTENTIAL SITE UTILIZATION

1. Big Game-The area is used year around by mule deer. During the winter it is used extensively by both mule deer and elk.
2. Small Game-The area is used by cottentail rabbit, morning dove, and sage hen.
3. Raptor/Bird- Various species of raptors use this area for habitat. Raptors which are observed using the area are Golden eagles, Redtail hawk, & Kestrel.
5. Non-Game Wildlife- Animal species which have been observed using this area are black tail jack rabbit, coyote, fox, badger, and various species of reptiles, and song birds.
6. Threatened & Endangered Species: No T&E species are reported using the area of this project.

4.2 PRESENT SITE USE

A. USAGE

	<u>acres</u>
Rangeland	7.25
Irrigable land	0
Woodland	0
Non-Irrigable land	7.25
Commercial timber	0
Floodplain	0

Wetland	0
Riparian	0
Other:	0

4.3 CULTURAL RESOURCES

A. CULTURAL SURVEY

Cultural Resource Surveys were performed by Delaney Barclay of Metcalf Archaeological Consultants, Inc. during January 1995.

5.0 ENVIRONMENTAL IMPACTS

A. SURFACE ALTERATIONS

	<u>acres</u>
1. Access road	1.09
2. Well site	4.10
3. Pipeline right-of-way	2.06
4. Total area disturbed	7.25

B. VEGETATION/LANDSCAPE

1. Production loss (AUM's)/year: 0.73
2. Permanent scar on landscape: Yes X No
3. Potential impacts to Threatened & Endangered species:
Yes No X

C. SOIL/RANGE/WATERSHED

There will be an increase in wind and water erosion as a result of removing vegetation and exposing the soil from construction of the wellsite and access road. This will increase water runoff and the soil will remain exposed causing erosion to continue for the life of the well, and until the site is rehabilitated.

The well is located approximately 200 feet west of the Dry Gulch stream channel. Normally this stream only flows during spring runoff and the riparian area is confined to the area immediately next to the stream channel. The project is not within the riparian area. There may be a water table within 200 feet of the soil surface. Therefore, the well will have a closed production system. Produced water will not be stored on the location. It will either be piped to an injection well, or piped to another existing wellsite and hauled to approved disposal pit.

Whithin 90 days after the well is completed the reserve pits will be backfilled. Well cuttings, clays, and additives for drilling are not considered hazardous but excess fluids left in the pit after the well is drilled will be hauled to approved disposal pits. Loading the soil with salt from produced water will only occur when there are accidental spills. Therefore, the impact to the soil resources, or ground water aquifers will be minimal.

The area is presently used as rangeland and permits have been issued by BIA for grazing livestock. This project will reduce livestock grazing by approximately 0.73 AUM/year.

The area is not used as irrigated cropland and a water right has not been designated for the area. Because of the cobbly nature of the soil it is not suitable for crop production.

D. WILDLIFE/THREATENED & ENDANGERED SPECIES

There will be a reduction of wildlife habitat and grazing for livestock.. There will also be an increase in wildlife disturbance and poaching resulting from the additional traffic and people using the area.

There are no known impacts to Threatened or Endangered species but the area is important winter range for big game.

6.0 MITIGATION STIPULATIONS

A. VEGETATION/LANDSCAPE

1. Before the site is abandoned the company will be required to restore the well pad, and access road to near their original state. The disturbed area will be reseeded with desirable perennial vegetation.

Although the road rights-of-way will be 30 feet wide, the graded area of the road will be limited in most places to 21 feet between the two outer edges of the barrow pits. Where deep cuts are required for road construction, or

where intersections or sharp curves occur the road may be constructed wider than 21 feet so that large pieces of equipment will have enough room to make turns.

2. Noxious weeds will be controlled on all well sites and rights-of-way. If noxious weeds spread from the well sites or rights-of-way onto adjoining land, the company will also be responsible for their control.

B. SOILS/RANGE/WATERSHEDS

1. Soil erosion will be mitigated by reseeding all disturbed areas and by installing the following practices:
2. Approximately 17 rods of fence will be constructed around the reserve pit until it is back filled.
3. Salt and pollution loading of the soil and geological formations will be mitigated by requiring the oil company to:
 - a. Lined reserve pits with impervious synthetic liners.
 - b. Pipe produced water offsite to an injection well or to facilities where it will be hauled to an approved disposal site.

Reason(s): This stipulation would not be required, but the company agreed to this practice.

- c. Production water, oil, and other by-products will not be applied to roads or well pads for the control of dust or weeds. Indiscriminate dumping of oil field by-products on tribal lands will not be allowed.

C. WILDLIFE/VEGETATION/THREATENED & ENDANGERED SPECIES

No Threatened & Endangered species have been

identified associated with this project. Therefore, no stipulations have been developed for their protection.

D. CULTURAL RESOURCES

Cultural resource surveys were performed by John M. Scott of Metcalf Archaeological Consultants, Inc. in November 1994. The consultant recommends clearance of the project as it is presently staked.

During the construction of the project an archeologist will be present to monitor for cultural resources. If any cultural resources are encountered during construction, construction will cease and BIA and the U&O Cultural Rights and Protection Department will be consulted immediately. Construction shall not be resumed until acceptable mitigation is resolved.

7.0 UNAVOIDABLE ADVERSE IMPACTS

A. SURFACE ALTERATIONS

None of the adverse impacts listed in 5.0 above can be avoided in a practical manner except those which are mitigated in item 6.0 above and those specified in BLM's 13 point surface use plan.

B. RELATIONSHIP BETWEEN SHORT-TERM USE OF THE ENVIRONMENT VS LONG TERM PRODUCTIVITY.

1. Short Term: (Estimated 20 years) A total loss of production on the land and the associated environmental impacts will continue to influence the surrounding area for the productive life of the well.
2. Long Term: Standard policies provide for rehabilitation of the well sites and access roads. After the land is rehabilitated, it is not expected to return to its original productive capability. Normally, there will be a permanent scar left on the landscape.

C. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT

Oil and Gas are non-renewable resources, once they have been removed they can never be replaced.

8.0 CUMULATIVE IMPACTS

A. FULL DEVELOPMENT

Each additional well drilled for development increases the soil erosion potential, reduces wildlife habitat and grazing, increases potential soil and geologic pollution resulting from salt loading, reduces the soil's potential to recover, and increases the potential of water pollution from produced waters and hydro-carbons. Therefore, strict conformance with the mitigation measures and recommendations in this document is emphasized to minimize the adverse environmental impacts.

9.0 NEPA COMPLIANCE

A. RESEARCH/DOCUMENTATION

Based on available information, 12-5-94, the proposed location in the following areas of environmental impacts has been cleared:

<u>X</u>	Yes	_____	No	Listed Threatened & Endangered species
<u>X</u>	Yes	_____	No	Critical wildlife habitat
<u>X</u>	Yes	_____	No	Historical and cultural resources

10.0 REMARKS

A. SURFACE PROTECTION/REHABILITATION

All essential surface protection and rehabilitation requirements are specified above.

11.0 RECOMMENDATIONS

A. APPROVAL/DISAPPROVAL

We recommend approval of the proposed action as outlined in item 1.0 above.

3-2-95

Date

Dale A. Hansen
Representative - BIA Land
Operations, Uintah and Ouray
Agency

12.0 REVIEWING OFFICIAL

A. CONCURRENCE

We concur with the approval X disapproval of
the proposed action as outlined in item 1.0 above.

3/2/95
Date

Allen D. Loyd
Environmental Coordinator,
Uintah and Ouray Agency

13.0 DECLARATION

A. APPROVAL

It has been determined that the proposed action is not a federal action significantly affecting the quality of the environment as it would require the preparation of an environmental impact statement in accordance with Section 102 (2) (c) of the National Environmental Policy Act of 1969 (42 USC 4331) (2) (C).

3-6-95-
Date

[Signature]
Superintendent,
Uintah and Ouray Agency

14.0 CONSULTATION

A. REPRESENTATIVES/ORGANIZATION

Clay Einerson- ANR
Scott Sceely- ANR
Stan Olmstead- BLM
Don Allred- Uintah Engineering
Elliot Ridley- UTEM
Harley Jackson- Jackson Construction
Randy Jackson- Jackson Construction
Dale Hanberg- BIA

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: COGC

Well Name: NBU
RWU 228

Api No. 43-047-32636

Section 17 Township 9S Range 21E County UINTAH

Drilling Contractor _____

Rig # _____

SPUDDED: Date 4/6/95

Time _____

How DRY HOLE

Drilling will commence _____

Reported by D. HACKFORD-DOGM

Telephone # _____

Date: 4/11/95 Signed: JLT

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE
(Other Instructions on
reverse side)

Form approved.
Budget Bureau No. 1004-0136
Expires August 31, 1985

APR 10 1995

5. LEASE DESIGNATION AND SERIAL NO.

U-0575

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Ute Tribe

7. UNIT AGREEMENT NAME

Natural Buttes Unit

8. FARM OR LEASE NAME

NBU

9. WELL NO.

228

10. FIELD AND POOL, OR WILDCAT

Natural Buttes

11. SEC., T., R., M., OR BLK.
AND SURVEY OR AREA

Section 17, T9S-R21E

12. COUNTY OR PARISH

Uintah

13. STATE

Utah

1a. TYPE OF WORK

DRILL ☐

DEEPEN ☒

DIV OF OIL, GAS & MINING
PLUG-BACK ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Coastal Oil & Gas Corporation

3. ADDRESS OF OPERATOR

P.O. Box 749, Denver, CO 80201-0749 (303) 573-4476

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

660' FSL & 1843' FEL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

Approximately 17.5 miles SE of Ouray, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 660'
(Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE

1600

17. NO. OF ACRES ASSIGNED
TO THIS WELL

N/A

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1221'

19. PROPOSED DEPTH

7500'

20. ROTARY OR CABLE TOOLS

rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4848' GR

22. APPROX. DATE WORK WILL START*

Upon approval (4/12/95)

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	250'	155cf or suff. to circ. to surface
7-7/8"	5-1/2"	17#	7500'	1950cf or suff. to circ. to surf.

Coastal Oil & Gas Corporation requests an amendment to the original APD. Further inspection of available data makes drilling to depth greater than originally proposed necessary to maximize potential production.

Casing grade, K-55, will remain the same as previously proposed, as will pressure control equipment. Cement from 5400' to 7500' will remain the same as proposed for the "tail" previously. It will be increased to 546 cubic feet. Drilling fluids program will remain the same.

Onshore Order No.1 was previously submitted. Bond information remains the same.

Coastal Oil & Gas Corporation is considered to be the operator of the above referenced well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Bonnie Johnston TITLE Environmental Analyst

DATE 4/7/95

(This space for Federal or State office use)

PERMIT NO.

43-047-32636

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
ENTITY ACTION FORM - FORM 6

OPERATOR Coastal Oil & Gas Corporation
ADDRESS P.O. Box 749
Denver, CO 80201-0749

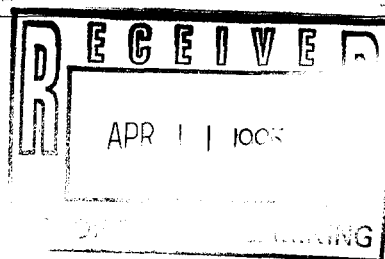
OPERATOR ACCT. NO. N 0230

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	02900	43-047-32636	NBU #228	SWSE	17	9S	21E	Uintah	4/7/95	4/7/95
WELL 1 COMMENTS: (Coastal) <i>Entity added 4-17-95. (Natural Buttes Unit / WSMUPD PA) fee</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

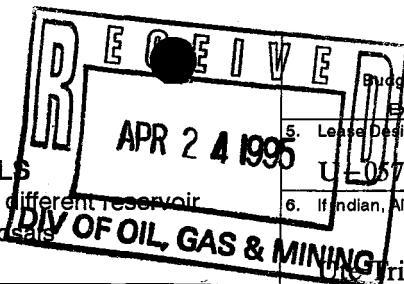
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.



Speta Pomeroy
Signature
Sr. Drilling Secretary
Title
04/10/95
Date
Phone No. (303) 573-4433

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT" - for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	7. If Unit or CA, Agreement Designation Natural Buttes Unit
2. Name of Operator Coastal Oil & Gas Corporation	8. Well Name and No. NBU #228
3. Address and Telephone No. P. O. Box 749, Denver, CO 80201-0749 (303) 573-4476	9. API Well No. 43-047-32636
4. Location of Well (Footage, Sec., T., R., M., Or Survey Description) 660' FSL & 1843' FEL SW SE Section 17-T9S-21E	10. Field and Pool, Or Exploratory Area Natural Buttes
	11. County or Parish, State Uintah County, UT

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Spud Notice</u>	<input type="checkbox"/> Dispose Water

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markets and zones pertinent to this work.)*

4/8/95: MI Leon Ross drlg rig. Spudded @ 11:00 AM on 4/7/95. Drlg 12-1/4" surface hole to 250' & SDFN.

Drlg, spud well @ 6:00 AM on 4/13/95.

14. I hereby certify that the foregoing is true and correct

Signed N.O. Shiflett Title District Drilling Manager Date 04/19/95

(This space for Federal or State office use)

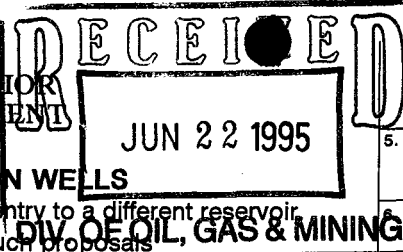
APPROVED BY _____ Title _____ Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***See Instruction on Reverse Side**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT" - for such proposals

5. Lease Designation and Serial No.

U-0575

6. Indian, Allottee or Tribe Name

Ute Tribe

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #228

9. API Well No.

43-047-32636

10. Field and Pool, Or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, UT

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749

(303) 573-4455

4. Location of Well (Footage, Sec., T., R., M., Or Survey Description)

660' FSL & 1843' FEL

SW SE Section 17-T9S-21E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other First Production
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markets and zones pertinent to this work.)*

Flow testing to the tank occurred on 6/2/95.

14. I hereby certify that the foregoing is true and correct

Signed Sheila Bremer Title Environmental & Safety Analyst Date 06/19/95
Sheila Bremer

(This space for Federal or State office use)

APPROVED BY _____ Title _____ Date _____
Conditions of approval, if any:

UTAH DIVISION OF OIL, GAS AND MINING EQUIPMENT INVENTORY

Operator: Coastal Oil & Gas Lease: State: Federal: ☒ Indian: Fee:

Well Name: NBU 228 API Number: 43-047-32636

Section: 17 Township: 9S Range: 2E County: Uintah Field: Natural Buttes

Well Status: P6W Well Type: Oil: Gas: ☒

PRODUCTION LEASE EQUIPMENT: ☒ CENTRAL BATTERY:

1 Well head Boiler(s) Compressor Separator(s)
1 Dehydrator(s) 1 Shed(s) Line Heater(s) 1 Heated Separator
 VRU Heater Treater(s)

PUMPS:
 Triplex 1 Chemical Centrifugal

LIFT METHOD:
 Pumpjack Hydraulic Submersible ☒ Flowing

GAS EQUIPMENT:

1 Gas Meters Purchase Meter ☒ Sales Meter

TANKS: NUMBER SIZE

<u> </u> Oil Storage Tank(s)	<u> </u>	BBLS
<u>1</u> Water Tank(s)	<u>400</u>	BBLS
<u> </u> Power Water Tank	<u> </u>	BBLS
<u>1</u> Condensate Tank(s)	<u>100</u>	BBLS
<u> </u> Propane Tank	<u> </u>	

REMARKS:

Location central battery: Qtr/Qtr: Section: Township: Range:

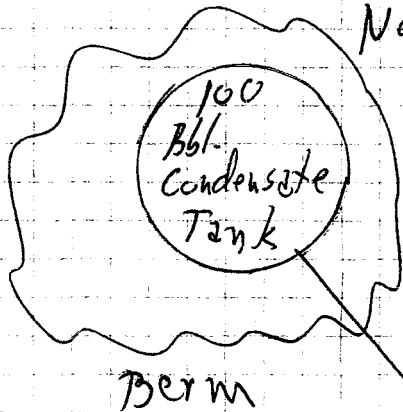
Inspector: David W. Sheffield Date: 7/18/95

CÖGC

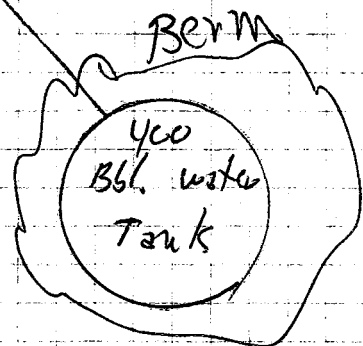
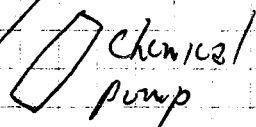
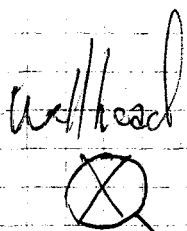
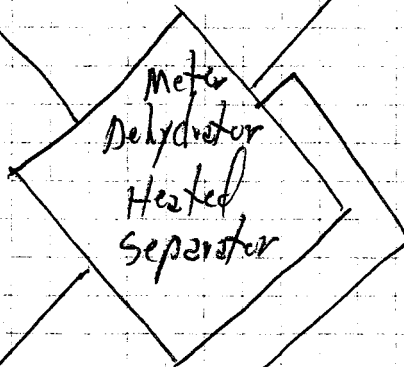
NRU 228

43-047 32636

North
↑



Gas Sales
Line



Reserve pit

Access

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135

Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT" - for such proposals

5. Lease Designation and Serial No.

U-0575

6. If Indian, Allottee or Tribe Name

Ute Tribe

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

NBU #228

9. API Well No.

43-047-32636

10. Field and Pool, Or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, UT

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Coastal Oil & Gas Corporation

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P. O. Box 749, Denver, CO 80201-0749

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660' FSL & 1843' FEL

SW SE Section 17-T9S-21E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

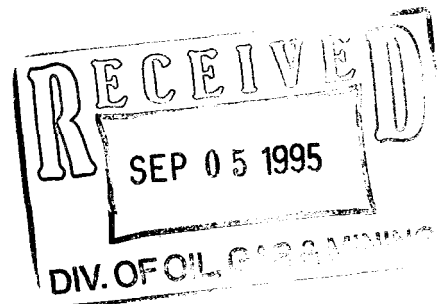
☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Completion Operations

☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markets and zones pertinent to this work.)*

Please see the attached chronological history for completion operations and surface facility installation performed on the subject well.



14. I hereby certify that the foregoing is true and correct

Signed

Bonnie Johnston
Bonnie Johnston

Title Senior Environmental Analyst

Date

09/01/95

(This space for Federal or State office use)

APPROVED BY

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

**THE COASTAL CORPORATION
PRODUCTION REPORT**

CHRONOLOGICAL HISTORY

NBU #228 (Completion)

Natural Buttes Field
 Uintah County, Utah
 WI: 100% COGC AFE #10004
 TD: 7485' SD: 4/13/95
 Csg: 8 3/4" @ 262', 5 1/2" @ 7478'
 CWC(\$M): 165.614

5/20/95	PO: Prep to run CBL. Fin PU tbg & RIH w/4 3/4" mill. Tag fill @ 7422'. RU pwr swivel. DO cmt & wiper plug to FC @ 7434'. Circ hole w/175 BBLS 3% KCl wtr. RD swivel. POOH & LD mill. SDFN. DC: \$ 3,100	CC: \$ 9,850
5/21/95	Well dead. RU WL. Run CCL GR CB log from PBTD 7427-30'. Good bond. Did not find cmt tops. Tst csg to 5000 psi, OK. RIH. Perf 7412 & 7417, 2 holes. PU 260' TP & pkr. RIH to 5000'. SDFS. DC: \$ 3,050	CC: \$ 12,700
5/22/95	SDFN.	
5/23/95	PO: Prep to swb. SITP, SICP 0. Fin RIH w/tbg & pkr to 7424' (end of TP). RU Western. Spot 100 gal 15% HCl across perfs 7412-7414'. PU & set pkr @ 7096'. EOT @ 7361'. Brkdwn perfs w/400 gals 15% HCl + 4 BS. Brkdwn @ 2600 psi. Treat @ 4.8 BPM @ 3800 psi, ball off to 5000 psi. Surge off balls. ISIP 2000 psi, 15 min 1950 psi. Flw back 5 BW/15 min. RU swb, 14 runs. Rec 54 BW. IFL @ surf, FFL @ 6900'. Fluid hvy gas cut. 13 BLWTR. SDFN. DC: \$ 6,510	CC: \$ 19,410
5/24/95	PO: Prep to acdz. SICP 0, SITP 200. Blw dwn tbg/1 min. RU swb, 8 runs. Rec 16 BW, IFL 3900', FFL 7200'. Fluid hvy gas cut. Strong bas blow behind swb. Fluid entry 1 BW/hr/2 hrs. Rls pkr. POOH & LD pkr. RU WL. Perf 6106-7209', 1 SPF w/3 1/8" csg gun. RD WL. RIH w/tbg to 7222'. SDFN. DC: \$ 4,200	CC: \$ 23,610
5/25/95	PO: Fin LD bent tbg. SITP 300, SICP 550. Blw dwn/10 min. PU EOT to 6015'. RU. Brkdwn perf 6106-7209' w/1100 gal 15% HCl + 25 BS. AIR 7.0 BPM @ 4400 psi. Balled off to 5000 psi. Blew tbg hanger out of well. Tbg parted @ btm of blast jt below hanger. Hook up to csg, fin flushing acid. RIH. Could not screw onto fish. POOH, RIH w/overshot, c/n catch fish. POOH. Replace control in overshot. RIH. POOH w/fish & tbg. LD 21 jts bent tbg (30 more to LD). Well kicked off. Flwd csg to pit on 20/64" chk. DC: \$ 9,760	CC: \$ 33,370
5/26/95	PO: Flwg to pit. SITP 300. FARO 300 MCFD on a 20/64" chk, FCP 110#, dry gas. Blow dwn & kill well w/20 BBLS 3% KCl wtr. Fin POOH & LD bent tbg. Well kicked off. Flwd 2 hrs/died. RIH w/184 jts tbg. EOT @ 6017'. RU swb, 1 run. FL 3000'. SICP 275#. Flw on 20/64" chk. DC: \$ 2,790	CC: \$ 36,160
5/27/95	SDFN.	
5/28/95	SDFN	
5/29/95	SDFN	
5/30/95	PO: SI, prep to frac. SICP 500#. FARO 250 MCFD on a 20/64" chk, FTP 100#, 1 BW/hr. Blw down & kill well w/100 BBLS 3% KCl wtr. POOH & std back tbg. SI. WO frac. DC: \$ 1,820	CC: \$ 37,980
5/31/95	PO: RIH w/new mill. RU. Frac perfs 6106-7417' w/121,023 gal 35# gel wtr + 171000# 20/40 sd 1-4 ppg. AIR 45 BPM @ 3500 psi. ISIP 1707#, 1760#/15 min. RU HLS. Set Howco BP @ 6000'. Press tst plug to 5000 psi, okay. Perf 10 intervals, 5472-5886', 1 SPF w/3 1/8" csg gun. Frac perfs 5472-5886' w/1000 gal 15% HCl & 127,934 gals 35# gel wtr + 190000# 20/40 sd. AIR 40 BPM @ 3500 psi. ISIP 1652#/15 min. Flw back 1 hr @ 1/2 BPM. RD. RU. RIH w/4 1/2" mill on 1 3/4" coiled tbg. Drid 6" of BP/4 hrs. POOH. DC: \$123,230	CC: \$161,210
6/01/95	PO: RIH w/new mill. POOH w/mill. RIH w/4 1/2" mill on 1 3/4" coiled tbg. Drid on BP/4 hrs. No progress. POOH. Drl motor burned out. SDFN. DC: \$ 4,400	CC: \$165,614

6/02/95 PO: Prep to LD tbg. SICIP 1000#. FARO 1000 MCF, 1125 BW/24 hrs on a 16/64" chk. PU & RIH w/4 1/2" tapered mill, Baker dri motor & 1 1/2" coiled tbg. Dri BP @ 6000'. Push to 7362'. Wash out sd & push plug to PBTB @ 7434'. POOH & LD drlg tools. RD & MO CTU. Flw tstg to tank.
DC: \$ 24,960 CC: \$190,570

6/03/95 PO: SI, prep to instl SFC. FARO 1.5 MMCF, 910 BW/24 hrs on an 18/64" chk, FCP 1450#. LD tbg. RD & MO. FARO 2.5 MMCF, 2-3 BW/hr, 18/64" chk, FCP 1500#. SI well.
DC: \$ 5,090 CC: \$195,660

6/07/95 FARO 86 MCF/2 3/4 hrs, 6 1/2" chk, LP 290#.

6/09/95 FARO 1077 MCF, 90 BW/24 hrs, 10/64" chk, CP 1600#, LP 279#.

6/10/95 PO: Well on prod. RU WL. Run prism log f/7398-5350'. Could not get all tbg below perfs. FARO 1962 MCF, 94 BW/22 hrs, 13 + 1/64" chk, CP 1400#, LP 279#.
DC: \$ 19,533 CC: \$215,198

6/11/95 FARO 1915 MCF, 97 BW/24 hrs, 13 1/2-14/64" chks, CP 1320#, LP 279#.

6/12/95 FARO 1999 MCF, 90 BW/24 hrs, 14-15/64" chks, CP 1200#, LP 290#.

6/13/95 FARO 1422 MCF, 87 BW/20 hrs, 15/64" chk, CP 1340#, LP 289#.

6/14/95 No report.

6/15/95 PO: Fin RIH w/2 3/4" tbg/latch on pkr. SICIP 1800 psi. MIRU. RU WL. RIH gauge ring 4.767" to 5500'. POOH w/GR. RIH w/WL 5 1/2 XLW pkr. Set pkr @ 5420'. RD. Blew dwn csg. Start in w/SA & 2 3/4" tbg to 5000'. SDFN.
DC: \$ 11,392 CC: \$226,590

6/16/95 PO: Back on prod. Fin RIH w/SA & 2 3/4" prod tbg (165 jts). Space out & latch on to pkr. ND BOP. NU WH. Pmp 20 BBLS 3% KCl wtr dwn tbg. RU & RIH w/sd line w/sinker bars. POOH. Well unloaded 18 BBLS into tank. SI. RDMO. FARO 1274 MCF, 5 BW/22 hrs, 13/64" chk, CP 0, LP 311#.
DC: \$ 13,499 CC: \$240,089

6/17/95 No report.

6/18/95 FARO 1675 MCF, 45 BW/24 hrs, 15/64" chk, CP 0, LP 278#.

6/19/95 FARO 1818 MCF, 20 BW/24 hrs, 16/64" chk, CP 0, LP 278#.

6/20/95 FARO 1794 MCF, 20 BW/24 hrs, 17/64" chk, CP 0, LP 278#.

6/21/95 FARO 1901 MCF & 50 BW/24 hrs, 18/64" chk, FTP 800#, LP 289#.

6/22/95 FARO 1820 MCF & 43 BW/24 hrs, 19/64" chk, FTP 725#, LP 278#.

6/23/95 FARO 1747 MCF & 42 BW/24 hrs, 20/64" chk, FTP 660#, LP 279#.

6/24/95 FARO 1723 MCF & 33 BW/24 hrs, 21/64" chk, FTP 600#, LP 279#.

6/25/95 FARO 1675 MCF & 35 BW/24 hrs, 21-25/64" chks, FTP 550#, LP 270#.

6/26/95 FARO 1675 MCF & 32 BW/24 hrs, 25-30/64" chks, FTP 575#, LP 279#.

6/27/95 FARO 1755 MCF & 33 BW/24 hrs, 30/64" chk, FTP 425#, CP 0, LP 289#.

6/28/95 FARO 1755 MCF & 33 BW/24 hrs, 30/64" chk, FTP 425#, CP 0, LP 289#.

6/29/95 FARO 1603 MCF & 23 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

6/30/95 FARO 1435 MCF & 20 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

7/01/95 FARO 1388 MCF & 17 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

7/02/95 FARO 1384 MCF & 17 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

7/03/95 FARO 1334 MCF & 17 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

7/04/95 FARO 1316 MCF & 17 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

7/13/95 MIRU. CP MCO. Clean out sand w/coil tbg to 7420'. No bridge or no sand recovered.
Flowing well to pit f/20 min to clear out N₂ & whut well in. RD & MO.
DC: \$10,043 CC: \$250,132

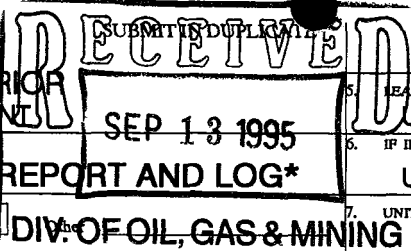
FINAL REPORT

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMITTER DUPLICATE

FORM APPROVED
OMB NO. 1004-0137

Expires: February 25, 1995



WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL:		OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/>	DRY <input type="checkbox"/>	7. UNIT AGREEMENT NAME		
b. TYPE OF COMPLETION:		NEW WELL <input checked="" type="checkbox"/>	WORK OVER <input type="checkbox"/>	DEEP-EN <input type="checkbox"/>	PLUG BACK <input type="checkbox"/>	DIFF. RESVR. <input type="checkbox"/>	Other _____
2. NAME OF OPERATOR						8. FARM OR LEASE NAME, WELL NO.	
Coastal Oil & Gas Corporation						NBU #228	
3. ADDRESS AND TELEPHONE NO.						9. API WELL NO.	
P.O. Box 749, Denver, CO 80201-0749 (303) 573-4476						43-047-32636	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*						10. FIELD AND POOL, OR WILDCAT	
At surface 660' FSL & 1843' FEL						Natural Buttes	
At top prod. interval reported below same as above						11. SEC., T., R., M., OR BLOCK AND SURVEY	
At total depth see chrono						OR AREA SW/SE Section 17, T9S-R21E	
14. PERMIT NO.				DATE ISSUED		12. COUNTY OR PARISH	
43-047-32636				3/14/95		13. STATE	
15. DATE SPUNDED				16. DATE T.D. REACHED		17. DATE COMPL. (Ready to prod.)	
4/7/95				4/22/95		6/16/95	
18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*				19. ELEV. CASINGHEAD			
4848 GL							
20. TOTAL DEPTH, MD & TVD		21. PLUG BACK T.D., MD & TVD		22. IF MULTIPLE COMPL., HOW MANY*		23. INTERVALS DRILLED BY	
7485		7434'				rotary	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)*						25. WAS DIRECTIONAL SURVEY MADE	
5472 - 7417' Wasatch						yes	
26. TYPE ELECTRIC AND OTHER LOGS RUN						27. WAS WELL CORED	
DLL/LDT/CNL/GR, CCL/CBL/GR 9-24-95 DIPOLE SONIC PAS LOG/GR 6-2-95						no	
28. CASING RECORD (Report all strings set in well)							
CASING SIZE/GRADE		WEIGHT, LB./FT.		DEPTH SET (MD)		HOLE SIZE	
8-5/8" J-55		24#		262'		12-1/4"	
						SEE ATTACHED	
						CEMENTING RECORD	
5-1/2" K-55		17#		7478'		7-7/8"	
						133 bbls to pit	
29. LINER RECORD							
SIZE		TOP (MD)		BOTTOM (MD)		SACKS CEMENT*	
30. TUBING RECORD							
SIZE		TOP (MD)		BOTTOM (MD)		SACKS CEMENT*	
31. PERFORATION RECORD (Interval, size and number)							
Perf'd 1 SPF w/3-1/8" csg gun: 5472', 5486', 5505', 5590', 5809', 5815', 5826', 5876', 5884', 5886', 6106', 6111', 6215', 6219', 6474', 6491', 6649', 6773', 7209', 7412', 7417'							
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.							
DEPTH INTERVAL (MD)				AMOUNT AND KIND OF MATERIAL USED			
7412-7414'				100 gal 15% HCl+15 BS			
6106-7209'				1100 gal 15% HCl+25 BS			
6106-7417'				121023gal 35#gel wtr+171000# 20/40s			
5472-5886'				1000gal 15% HCl&127934gal 35# gel w			
+ 190000# 20/40 sd							
33.* PRODUCTION							
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump)				WELL STATUS (Producing or shut-in)	
6/2/95		flowing				producing	
DATE OF TEST		HOURS TESTED		CHOKE SIZE		PROD'N. FOR TEST PERIOD	
7/4/95		24		30/64"		OIL--BBL 0 GAS--MCF 1316 WATER--BBL 17	
FLOW. TUBING PRESS.		CASING PRESSURE		CALCULATED 24-HOUR RATE		OIL GRAVITY--API (CORR.)	
400#		0					
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)						TEST WITNESSED BY	
sold							
35. LIST OF ATTACHMENTS							
chronological history							
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.							
SIGNED		Bonnie Johnnton				DATE	
		Senior Environmental Analyst				09/11/95	

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
				Wasatch	5108'	

CEMENTING RECORD
NBU #228

Casing Size

Cement Record

8-5/8"

175 sx Premium Plus AG w/1/4# per sx
Flocele, 3% salt BWOW, wt 15.6, yld 1.19

5-1/2"

440 sx Hi-fill Std w/3#/sx Capseal, 11#/gal,
3.82 yld
Tail: 1350 sx 50/50 Poz w/2% gel, 1/4#/sx
Flocele, 0.5% Halad 322, 10% salt, 0.2%
Super CBL, 14.2#/gal, 1.15 yld

COASTAL OIL & GAS CORPORATION
CHRONOLOGICAL HISTORY

NBU #228

SECTION 17-T9S-R21E

Natural Buttes Field

Uintah County, UT

Chandler #7

WT: 100% COGC AFE: 10004

ATD: 6400' SD: 4/13/95

Csg: 8 1/2" @ 262', 5 1/2" @ 7478'

DHC(MS): 187.5

3/31/95 Build location. Build road & location. Drlg reserve pit, pad is built.

4/8/95 250' Prep to run csg & cmt. MI Leon Ross drlg rig. Spudded @ 11:00 AM 4/7/95. Drlg 12 1/4" surface hole to 250' & SDFN. CC: \$11,814.

4/9/95 255' WORT. Finish drlg 12 1/4" hole to 255'. Blow hole & TOOH for csg. Run 6 jts 8 1/2" 24# J-55 ST&C, total 251.26'. Equip w/shoe, 3 cent. RU Halliburton & cmt w/175 sx Premium Plus AG w/1/4# per sx Flocele, 3% salt BWOW, wt 15.6, yld 1.19. Displ w/14 bbls H₂O, SI @ 1:00 PM 4/8/95. Good cmt returns, est 9 bbls to pit. RD Howco. Drlg rat & mouse hole & MO Ross drlg equip. CC: \$23,754.

4/10/95 255' WORT. WORT. Dig cellar & dress up location. CC: \$23,754.

4/12/95 255' Prep to MI Chandler Rig #7 & RURT. WORT. CC: \$24,293.

4/13/95 262' Drlg cmt & shoe. WORT. RURT, NU BOP's & RU gas buster, blooey line & FL. Press test BOP's 2000 psi 15 min, manifold valves, upper & lower kelly cock, safety valves 2000 psi 15 min-ok, Hydril 1500 psi 15 min-ok, press test csg 1500 psi 30 min-ok. PU BHA. Drlg plug, cmt & shoe. Tag cmt @ 210'. H₂O, MW 8.3+, VIS 27, pH 6.0, ALK, 0/0.2, CL 150, Ca 40, 8 gal min 1500 CFM. CC: \$60,638.

4/14/95 1732' Drlg w/air mist. 1470'/22 1/2 hrs. Drlg w/air mist. Circ & svy @ 511'. Drlg w/air mist. Change rot hd rubber. Drlg w/air mist. Circ & svy @ 1026'. Drlg w/air mist. PU little H₂O @ 1480'. Spudded well @ 6:00 AM on 4/13/95. Air mist. Svys: 1° @ 511', 1° @ 1026'. CC: \$69,523.

4/15/95 2950' Drlg w/air mist. 1218'/22 1/2 hrs. Drlg w/air mist, RS. Circ & WL svy @ 2026'. Drlg w/air mist. Circ & WL svy @ 2482'. Drlg w/air mist. Air mist. Svys: 1 1/4° @ 2026', 1 1/4° @ 2482'. CC: \$79,539.

4/16/95 3885' Drlg w/air & H₂O. 935'/17 hrs. Drlg w/air mist. Trip for string float. Circ & WL svy @ 3001'. Drlg w/air mist. Work on rot hd, drive came off from rot hd body, pull 2 stds out of hole & hammer on rot hd, came out. Drlg w/air mist. Trip for string float. Circ & WL svy @ 3647'. Drlg w/air & H₂O. H₂O. MW 8.4, VIS 27, pH 8.0, CL 150, Ca 40, air 1300 CFM. Svy: 1 1/2° @ 3001'. CC: \$91,545.

4/17/95 4850' Drlg w/air & H₂O. 965'/23 hrs. Drlg w/air & H₂O, RS. Drlg w/air & H₂O. Circ & WL svy @ 4418'. Drlg w/air & H₂O. H₂O. MW 8.5, VIS 27, pH 9.0, ALK 0.2/0.25, CL 19,000, Ca 20, DAF 4# bbl, air 1500 CFM. Svy: 2 1/4° @ 4418'. CC: \$101,513.

4/18/95 5735' Drlg. 885'/23 hrs. Drlg, RS. Drlg, svy. Drlg. Aerated H₂O. MW 8.4, VIS 27, pH 9, DAF 7.5# bbl, CFM 1500. Svy: 1 1/4° @ 5278'. CC: \$113,814.

4/19/95 6185' Drlg. 450'/12 1/2 hrs. Drlg, pmp pill to kill air, drop svy. TOOH for bit #2. Dress bit, work BOP. TIH w/bit #2, bridge @ 5458'. Circ & unload hole. W&R 180' to btm. Drlg. Aerated DAF H₂O. MW 8.4, VIS 27, CFM 1500. Svy: 2° @ 5747'. CC: \$125,560.

4/20/95 6790' Drlg. 605'/22 hrs. Drlg, RS. Drlg, restring svy wire. Drlg, circ & svy. Drlg. Drlg breaks: 6098'-6111', 6206'-6216', 6766'-6778', no noticeable gas to surface. Aerated H₂O, DAP 7# bbl. MW 8.3+, VIS 27, CFM 1500. Svy: 1 1/4° @ 6626'. CC: \$136,067.

4/21/95 7325' Drlg. 535'/23 1/2 hrs. Drlg, RS. Drlg, kill air @ 7300'. Load hole & drill remainder of hole w/wtr. MW 8.4, VIS 27, pH 8.5. CC: \$153,737.

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- 4/22/95 7486' RIH w/gun to perf DC. 161'/12 hrs. Drig, RS, check BOP's. Drig, repair mud pump. Drig circ for short trip. TOOH 280'. Work tight hole, bit plugged (unable to circ). RU Weatherford & RIH w/WL gun to perf DC. Drig break 7394'-7417'. MW 8.3+, VIS 27, pH 9. CC: \$162,506.
- 4/23/95 7486' PU 4" yellow band DP. Attempt to circ after perf btm hole DC w/4 holes, no circ gained. Free pt stuck pipe. RU Howco & attempt to circ, press up to 2000 psi, est ¼ bbl/min rate @ 1800 psi w/no ret. RD Howco. Free pt stuck pipe stuck @ top DC's, free 1 jt above DC's. RIH w/stuck pipe log tool, could not get tool into DC's corrosion ring. MU string shot, RIH. Back off 1 jt above DC. RD Weatherford WL. Circ & disp hole w/10# salt mud. LD 46 jts yellow band DP. TOOH. PU fishing tools. PU yellow band DP. TOF @ 6759'. MW 9.8, VIS 40, FL 8.4, PV 16, YP 18, solids 2%, pH 8.5, ALK, 0.1/0.7, CL 128,000, Ca 280, gels 8/29, wall cake 2/32nd. CC: \$172,260.
- 4/24/95 7486' Running string shot. PU yellow band DP, RS. TIH w/fishing assy #1, tag @ 6752'. Circ & wash 6752'-6761'. Screw into fish. Jar on fish, fish moved uphole 25' then down 17'. RU WL truck RIH w/spud tool, spud thru bridges 6780'-7430'. RD spud tool. RU & run free pt, free @ 6828', RD free pt. RU back off shot, RIH, work left band torque into pipe. Pipe backed off while working torque down. Confirm back off @ intensifier w/WL, screw pipe back together & rework LH torque, WL tagged bridge in pipe w/back off shot @ top of intensifier. POH to PU spud bar assy. Make up & RIH w/spudding assy. MW 9.8, VIS 40, FL 8.4, PV 16, YP 18, CL 128,000, Ca 280, gels 6/14 CC: \$183,261.
- 4/25/95 7486' TIH w/bit to cond hole for wash over assy. Back off fish @ screw in sub, TOF @ 6752'. Circ hole. TOOH, LD 8 jts white band DP, chain out, LD fishing tools. Robert Schultz, Derrickman, injured by falling blocks, WO ambulance (see accident report). Finish LD fishing tools, repair torque cylinder PU 6 jts wash pipe, TIH, tag bridge @ 1575'-hole tight. POOH w/wash pipe, LD jars, bumper sub MU bit, TIH, torque up all conn while TIH. Wipe area thru tight spot several times while TIH. MW 9.8, VIS 40, FL 8.4, PV 16, YP 18, oil 280%, CL 128,000, Ca 280, gells 6/14. CC: \$205,203.
- 4/26/95 7486' MU new bit, PU DC's. W&R thru bridges 5367'-5393'. Short trip to 1200', hole good, bridge @ 5393'. W&R thru bridges 5393'-5581'. Mix & pump wtd pill to dry pipe. TOOH for new bit & more DC's. Pump out 4 jts. Slip & cut drlg line. MU new bit, PU DC's. MW 9.5 aired up, VIS 61 FL 9.5, PV 19, YP 27, solids 5%, pH 8, CL 144,000, Ca 1,000, gels 6/21. CC: \$215,570.
- 4/27/95 7486' W&R. PU DC's & jars. TIH, bridge @ 5428'. W&R 5428'-6181', 6091'-6159', reamed for 7 hrs, finally cleaned up. Drig breaks: 6098'-6111', 6206'-6216', 6766'-6778', 7394'-7417'. MW 9.8 VIS 50, FL 8.4, PV 15, YP 22, solids 4%, pH 8, CL 157,000, Ca 1200, gels 6/24, wall cake 2/32nd CC: \$228,598.
- 4/28/95 7486' Make up WP. W&R 6159'-7486'. Circ. Pump pill, TOOH to 1400', good. Work on dwk motors. TIH 9 stds, LD 18 jts yellow band DP. Work on pump motors. TIH. Fill pipe, W&R 40' to btm, no fill. Circ. TOOH for WP, SLM. LD jars, PU WP. MW 9.8+, VIS 46, FL 8.8, PV 15, Y 20, solids 4%, pH 8, CL 152,000, Ca 1,200, gels 5/17. CC: \$236,083.
- 4/29/95 7486' W&R. MU WP, jars, bumper sub. TIH 24 stds. Tag @ 1825', POH 2 stds, PU rot hd, rear 1815'-1837'. TOOH. PU 6 pt IBS, jars, TIH. W&R 1773'. Change rot hd rubber. W&R @ 2276 only able to ream w/2M WOB, table stalls due to torque otherwise. MW 10, VIS 47, FL 8, PV 15, Y 21, solids 4.5%, pH 8, CL 146,000, Ca 1,200, gels 8/16, wall cake 2/32nd. CC: \$249,928.
- 4/30/95 7486' W&R tight spot @ 2962'. Ream 2276'-2640'. TOOH, LD IBS 6 pt, MU bit, TIH. Wash 40' to TOF @ 6752', no fill. Circ. TOOH, LD jars. PU WP, jars, BS, TIH, bridge @ 2922'. W&R tight spot 2922'-2962'. MW 9.9+, VIS 49, FL 7.4, PV 16, YP 15, solids 4%, pH 8, CL 144,000, Ca 1,600 gels 6/15, wall cake 2/32nd. CC: \$260,508.
- 5/1/95 7486' TOOH w/WP. Ream w/WP to 3015'. TIH to TOF. Wash over fish 6752'-6954'. Circ & cor hole for trip. TOOH, chain out. MW 9.9, VIS 47, FL 6.2, PV 17, YP 21, solids 4%, pH 8, C 141,000, Ca 1,400, gels 7/16, wall cake 2/32nd. CC: \$274,745.
- 5/2/95 7486' LD hyd CO tool. Finish TOOH w/WP. RS & function BOP's. Slip 30' drlg line & PU & M fishing tools. TIH w/fishing tools, tag TOF @ 6752' & screw into fish. Jarring on fish work out 3'.

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- hole or stretch. RU Weatherford & run in w/spud bar & jars, tools stopped @ 6805', spud bar dull end. Jarring on fish & WO perf gun. RIH w/1-11/16" perf gun & shoot @ 6757', 5 holes in DP @ RU & run 140' hyd CO tools, tools stopped @ 6805'. Attempt to wash through bridge w/1200-1500 MW 9.9, VIS 47, FL 6.2, PV 17, YP 21, solids 4%, pH 8, CL 141,000, Ca 1,400, gels 7/16, wall cake 2/32nd. CC: \$285,200.
- 5/3/95 7486' TOOHO OE after setting plug. Jar on fish. RS. RIH w/400 grain shot & shoot @ screw-in @ 6745', no back off. RIH w/400 grain shot & shoot @ screw-in sub @ 6745', no back off. R w/500 grain shot & shoot @ 6775' xo @ DC. TOOHO w/fishing tools, chain out & SLM out. T w/WP & LD & load out. PU 8 jts DP, TIH OE to 6765'. Circ btm up. RU Halliburton, pump plug w/250 sx Class "H" w/0.5% salt, 0.5% CFR-3, wt 17.5, yld 0.94. Disp w/65 bbls mud, 9.9 TOOHO OE. MW 9.9, VIS 44, FL 6.4, PV 15, YP 20, solids 4%, pH 8, ALK 0.0/0.5, CL 142,000, 1,100, gels 6/14, wall cake 2/32nd. CC: \$310,605.
- 5/4/95 6386' TIH w/Drillex mud motor. Finish TOOHO OE & LD 22 jts DP. WOC & slip cut drlg line. T w/bit to 6338'. Circ & wash 6338'-6363', TOC 6363' & drlg to 6378'. Circ & WOC. Drlg cmt 637 6386'. Pmp pill, TOOHO for mud motor. PU bit, Drillex mud motor. TIH w/DC, PU xo, 6 jts 4 1/2" DP, jars, 6 jts 4 1/2" HW DP & xo. TIH w/mud motor & LD 18 jts DP. MW 9.8+, VIS 47, FL 7 PV 10, YP 15, solids 4%, pH 9.5, ALK 0.1/0.4, CL 150,000, Ca 1,400, gels 5/24, wall cake 2/32 CC: \$323,602.
- 5/5/95 6524' TOOHO w/mud motor. 92'/17 1/2 hrs. Finish TIH w/mud motor. Circ & drlg cmt 6386'-643 Drlg & slide & time drlg 6432'-6497'. Rlg repair - replace liner gaskets & swab off driller side. D & rot 6502'-6524'. Pmp pill & drop svy. TOOHO w/mud motor. MW 10.1, VIS 40, FL 7.2, PV YP 15, solids 4%, pH 9.5, ALK 0.1/0.4, CL 150,000, Ca 1,400, gels 5/24, wall cake 2/32 CC: \$334,640.
- 5/6/95 6524' TIH w/bit & LDDP. Finish TOOHO & LD mud motor. PU mud motor, 2 DC & test mot RS & function BOP's. TIH w/mud motor, hit bridge @ 5243'. Ream 5243'-5303' w/plugged je Pump pill & TOOHO w/mud motor. LD motor & wet, motor screw up wouldn't drain. PU bit, 1) & 2-3 pt & work on backup cat head line. TIH w/bit to 5243'. Ream 5243'-5423' & TIH w/sar MW 10.2, VIS 42, FL 7.2, PV 20, YP 15, solids 4%, pH 9.5, ALK 0.1/0.4, CL 150,000, Ca 1,4 gels 5/24, wall cake 2/32nd. Svy: 2° @ 6524'. CC: \$346,198.
- 5/7/95 6589' Drlg. 65'/16 1/2 hrs. TIH to 5946'. Ream 5946'-6096'. TIH to 6396'. Ream 6396'-652 Drlg. Drlg break 6572-79'. PU 145, SO 135, RT 135. FL 10.6, PV 16, YP 7, solids 5%, pH 8, AL TR, CL 142,000, Ca 1,500, gels 4/11, wall cake 2/32nd. CC: \$359,844.
- 5/8/95 6710' Drlg. 121'/23 1/2 hrs. Drlg, RS & function BOP's. Drlg. PU 150, SO 135, RT 135. M 9.8+, VIS 46, PV 20, YP 13, solids 5.5%, pH 10.5, ALK 4.8, CL 115,000, Ca 600, gels 8/15, v cake 2/32nd. CC: \$368,709.
- 5/9/95 6892' Drlg. 182'/23 1/2 hrs. Drlg, RS & function BOP's. Drlg. Drlg break 6778-87'. PU 152, 138, RT 140. MW 9.7, VIS 38, FL 9.6, PV 20, YP 9, solids 4.5%, pH 10.5, ALK 1.6, CL 85,0 Ca 200, gels 6/12, wall cake 2/32nd. CC: \$378,843.
- 5/10/95 7042' Drlg. 150'/23 1/2 hrs. Drlg, RS & function BOP's. Drlg. PU 166, RT 144, SO 136. MW 9 VIS 36, FL 9.4, PV 18, YP 10, solids 4.5%, pH 10.5, ALK 0.7/1.5, CL 78,000, Ca 180, gels 7/ wall cake 2/32nd. CC: \$385,932.
- 5/11/95 7123' Drlg. 81'/11 1/2 hrs. Drlg. Pump flag, pill & TOOHO for press loss @ bit, 83 std hole in s area. RS & function BOP's. TIH w/bit & PU 3 DC & change out jars. Drlg. PU 170, SO 143, 150. MW 9.8, VIS 38, FL 8.6, PV 10, YP 10, solids 4.5%, pH 10.5, ALK 0.6/1.4, CL 66,000, 120, gels 6/13, wall cake 2/32nd. CC: \$398,376.
- 5/12/95 7268' Drlg. 145'/23 1/2 hrs. Drlg, RS & function BOP's. Drlg. PU 170, SO 144, RT 150. MW 9 VIS 37, FL 8.4, PV 13, YP 12, solids 4.5%, pH 10, ALK 0.5/1.3, CL 62,000, Ca 120, gels 6/12, v cake 2/32nd. CC: \$407,355.

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5/13/95 7420' Drig. 152'/23½ hrs. Drig, RS & check BOP's. Drig. Drig break 7404'. PU 170, SO 1, RT 150. MW 9.8, VIS 38, FL 8, PV 14, YP 12, solids 4.5%, pH 10, ALK 0.5/1.4, CL 59,000, 100, gels 5/13, wall cake 2/32"nd. CC: \$416,138.

5/14/95 7485' Logging w/Schlumberger. 65'/10½ hrs. Drig, RS & function BOP's. Drig. C&C for sh trip. Short trip 18 stds, ok. C&C for logs. Pmp pill, drop svy, TOO H for logs, SLM out & LD 6 HWDP & 8 DC. Strap 7482'. RU Schlumberger & run DLL/LDT/CNL/GR from TD-surface. Log TD 7475'. MW 10, VIS 42, FL 7.8, PV 16, YP 14, solids 5.5%, pH 10, ALK 0.55/1.3, CL 63,000, Ca 80, gels 8/17, wall cake 2/32"nd. Svy: 1¼" @ 7485'. CC: \$423,805.

5/15/95 7485' C&C for csg. Logging w/Schlumberger. Finish running DLL/LDT/CNL/GR from TD-surface. Run Sonic from TD-surface. Logger TD 7475', BHT 162. Run CMR intervals @ 7445'-7375', 723,7190', 6800'-6745', 6675'-6615', 6530'-6450', 6235'-6140', 6240'-6080', 5855'-5785', 5570'-545,3160'-3110' & RD logger. TIH w/bit, hit bridge @ 5973'. Ream 60'. Finish TIH w/bit, no fill. C&C for csg. CC: \$444,638.

5/16/95 7485' RDRT. Circ. Pump pill, LDDP, WP & DC's. RU csg tools. RIH w/173 jts 5½" 17# K-8"nd LT&C, tally ran = 7500.17'. Ran 10 centralizers, 26 turbolators. Set csg @ 7478', FC @ 743. Circ csg. RU Howco. Pump 20 bbls fresh H₂O, 20 bbls Superflush, 20 bbls fresh H₂O. Mix & put 440 sx Hi-fill Std w/ 3#/sx Capseal, 11#/gal, 3.82 yld. Tail w/1350 sx 50/50 Poz w/2% gel, ¼#, Flocele, 0.5% Halad 322, 10% salt (BWOW), 0.2% Super CBL, 14.2#/gal, 1.15 yld. Displ w/172 b H₂O. Circ 133 bbls cmt to pit. Bump plug to 2400, 600 over floats, held. CIP @ 8:30 PM. BOPE, set csg slips w/90,000. Clean mud tanks. Rel rig from well @ 3:00 AM 5/16/95. RDR CC: \$545,572. FINAL DRILLING REPORT.

THE COASTAL CORPORATION
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NBU #228 (Completion)

Natural Buttes Field

Uintah County, Utah

WI: 100% COGC AFE #10004

TD: 7485' SD: 4/13/95

Csg: 8% @ 262', 5 1/2" @ 7478'

CWC(\$M): 165.614

5/20/95 PO: Prep to run CBL. Fin PU tbg & RIH w/4 1/4" mill. Tag fill @ 7422'. RU pwr swivel. DO cmt & wiper plug to FC @ 7434'. Circ hole w/175 BBLS 3% KCl wtr. RD swivel. POOH & LD mill. SDFN.
DC: \$ 3,100 CC: \$ 9,850

5/21/95 Well dead. RU WL. Run CCL GR CB log from PBTD 7427-30'. Good bond. Did not find cmt tops. Tst csg to 5000 psi, OK. RIH. Perf 7412 & 7417, 2 holes. PU 260' TP & pkr. RIH to 5000'. SDFS.
DC: \$ 3,050 CC: \$ 12,700

5/22/95 SDFN.

5/23/95 PO: Prep to swb. SITP, SICP 0. Fin RIH w/tbg & pkr to 7424' (end of TP). RU Western. Spot 100 gal 15% HCl across perms 7412-7414'. PU & set pkr @ 7096'. EOT @ 7361'. Brkdwn perms w/400 gals 15% HCl + 4 BS. Brkdwn @ 2600 psi. Treat @ 4.8 BPM @ 3800 psi, ball off to 5000 psi. Surge off balls. ISIP 2000 psi, 15 min 1950 psi. Flw back 5 BW/15 min. RU swb, 14 runs. Rec 54 BW. IFL @ surf, FFL @ 6900'. Fluid hvy gas cut. 13 BLWTR. SDFN.
DC: \$ 6,510 CC: \$ 19,410

5/24/95 PO: Prep to acidz. SICP 0, SITP 200. Blw dwn tbg/1 min. RU swb, 8 runs. Rec 16 BW, IFL 3900', FFL 7200'. Fluid hvy gas cut. Strong bas blow behind swb. Fluid entry 1 BW/hr/2 hrs. Rls pkr. POOH & LD pkr. RU WL. Perf 6106-7209', 1 SPF w/3 1/4" csg gun. RD WL. RIH w/tbg to 7222'. SDFN.
DC: \$ 4,200 CC: \$ 23,610

5/25/95 PO: Fin LD bent tbg. SITP 300, SICP 550. Blw dwn/10 min. PU EOT to 6015'. RU. Brkdwn perf 6106-7209' w/1100 gal 15% HCl + 25 BS. AIR 7.0 BPM @ 4400 psi. Balled off to 5000 psi. Blew tbg hanger out of well. Tbg parted @ btm of blast jt below hanger. Hook up to csg, fin flushing acid. RIH. Could not screw onto fish. POOH, RIH w/overshot, c/n catch fish. POOH. Replace control in overshot. RIH. POOH w/fish & tbg. LD 21 jts bent tbg (30 more to LD). Well kicked off. Flwd csg to pit on 20/64" chk.
DC: \$ 9,760 CC: \$ 33,370

5/26/95 PO: Flwg to pit. SITP 300. FARO 300 MCFD on a 20/64" chk, FCP 110#, dry gas. Blow dwn & kill well w/20 BBLS 3% KCl wtr. Fin POOH & LD bent tbg. Well kicked off. Flwd 2 hrs/died. RIH w/184 jts tbg. EOT @ 6017'. RU swb, 1 run. FL 3000'. SICP 275#. Flw on 20/64" chk.
DC: \$ 2,790 CC: \$ 36,160

5/27/95 SDFN.

5/28/95 SDFN

5/29/95 SDFN

5/30/95 PO: SI, prep to frac. SICP 500#. FARO 250 MCFD on a 20/64" chk, FTP 100#, 1 BW/hr. Blw down & kill well w/100 BBLS 3% KCl wtr. POOH & std back tbg. SI. WO frac.
DC: \$ 1,820 CC: \$ 37,980

5/31/95 PO: RIH w/new mill. RU. Frac perms 6106-7417' w/121,023 gal 35# gel wtr + 171000# 20/40 sd 1-4 ppg. AIR 45 BPM @ 3500 psi. ISIP 1707#, 1760#/15 min. RU HLS. Set Howco BP @ 6000'. Press 1st plug to 5000 psi, okay. Perf 10 intervals, 5472-5886', 1 SPF w/3 1/4" csg gun. Frac perms 5472-5886' w/1000 gal 15% HCl & 127,934 gals 35# gel wtr + 190000# 20/40 sd. AIR 40 BPM @ 3500 psi. ISIP 1652#/15 min. Flw back 1 hr @ 1/2 BPM. RD. RU. RIH w/4 1/2" mill on 1 1/4" coiled tbg. Drld 6" of BP/4 hrs. POOH.
DC: \$123,230 CC: \$161,210

6/01/95 PO: RIH w/new mill. POOH w/mill. RIH w/4 1/2" mill on 1 1/4" coiled tbg. Drld on BP/4 hrs. No progress. POOH. Dri motor burned out. SDFN.
DC: \$ 4,400 CC: \$165,614

6/02/95 PO: Prep to LD tbg. SICP 1000#. FARO 1000 MCF, 1125 BW/24 hrs on a 16/64" chk. PU & RIH w/4 1/2" tapered mill, Baker dri motor & 1 1/2" coiled tbg. Dri BP @ 6000'. Push to 7362'. Wash out sd & push plug to PBTD @ 7434'. POOH & LD drig tools. RD & MO CTU. Flw tstg to tank.
DC: \$ 24,960 CC: \$190,570

6/03/95 PO: SI, prep to instl SFC. FARO 1.5 MMCF, 910 BW/24 hrs on an 18/64" chk, FCP 1450#. LD tbg. RD & MO. FARO 2.5 MMCF, 2-3 BW/hr, 18/64" chk, FCP 1500#. SI well.
DC: \$ 5,090 CC: \$195,660

6/07/95 FARO 86 MCF/2 1/4 hrs, 6 1/2" chk, LP 290#.

6/09/95 FARO 1077 MCF, 90 BW/24 hrs, 10/64" chk, CP 1600#, LP 279#.

6/10/95 PO: Well on prod. RU WL. Run prism log f/7398-5350'. Could not get all tbg below perfs. FARO 1962 MCF, 94 BW/22 hrs, 13 +/64" chk, CP 1400#, LP 279#. DC: \$ 19,533 CC: \$215,198

6/11/95 FARO 1915 MCF, 97 BW/24 hrs, 13 1/2-14/64" chks, CP 1320#, LP 279#.

6/12/95 FARO 1999 MCF, 90 BW/24 hrs, 14-15/64" chks, CP 1200#, LP 290#.

6/13/95 FARO 1422 MCF, 87 BW/20 hrs, 15/64" chk, CP 1340#, LP 289#.

6/14/95 No report.

6/15/95 PO: Fin RIH w/2 3/4" tbg/latch on pkr. SICP 1800 psi. MIRU. RU WL. RIH gauge ring 4.767" to 5500'. POOH w/GR. RIH w/WL 5 1/4 XLW pkr. Set pkr @ 5420'. RD. Blew dwn csg. Start in w/SA & 2 3/4" tbg to 5000'. SDFN.
DC: \$ 11,392 CC: \$226,590

6/16/95 PO: Back on prod. Fin RIH w/SA & 2 3/4" prod tbg (165 jts). Space out & latch on to pkr. ND BOP. NU WH. Pmp 20 BBLS 3% KCl wtr dwn tbg. RU & RIH w/sd line w/sinker bars. POOH. Well unloaded 18 BBLS into tank. SI. RDMO. FARO 1274 MCF, 5 BW/22 hrs, 13/64" chk, CP 0, LP 311#. DC: \$ 13,499 CC: \$240,089

6/17/95 No report.

6/18/95 FARO 1675 MCF, 45 BW/24 hrs, 15/64" chk, CP 0, LP 278#.

6/19/95 FARO 1818 MCF, 20 BW/24 hrs, 16/64" chk, CP 0, LP 278#.

6/20/95 FARO 1794 MCF, 20 BW/24 hrs, 17/64" chk, CP 0, LP 278#.

6/21/95 FARO 1901 MCF & 50 BW/24 hrs, 18/64" chk, FTP 800#, LP 289#.

6/22/95 FARO 1820 MCF & 43 BW/24 hrs, 19/64" chk, FTP 725#, LP 278#.

6/23/95 FARO 1747 MCF & 42 BW/24 hrs, 20/64" chk, FTP 660#, LP 279#.

6/24/95 FARO 1723 MCF & 33 BW/24 hrs, 21/64" chk, FTP 600#, LP 279#.

6/25/95 FARO 1675 MCF & 35 BW/24 hrs, 21-25/64" chks, FTP 550#, LP 270#.

6/26/95 FARO 1675 MCF & 32 BW/24 hrs, 25-30/64" chks, FTP 575#, LP 279#.

6/27/95 FARO 1755 MCF & 33 BW/24 hrs, 30/64" chk, FTP 425#, CP 0, LP 289#.

6/28/95 FARO 1755 MCF & 33 BW/24 hrs, 30/64" chk, FTP 425#, CP 0, LP 289#.

6/29/95 FARO 1603 MCF & 23 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

6/30/95 FARO 1435 MCF & 20 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

7/01/95 FARO 1388 MCF & 17 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

7/02/95 FARO 1384 MCF & 17 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

7/03/95 FARO 1334 MCF & 17 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

7/04/95 FARO 1316 MCF & 17 BW/24 hrs, 30/64" chk, FTP 400#, CP 0, LP 278#.

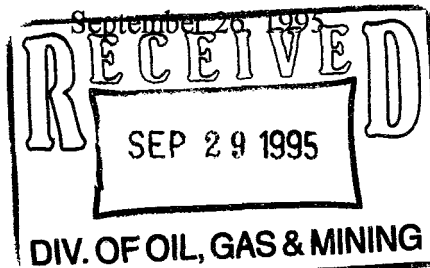
7/13/95 MIRU. CP MCO. Clean out sand w/coil tbg to 7420'. No bridge or no sand recovered.
Flowing well to pit f/20 min to clear out N₂ & whut well in. RD & MO.
DC: \$10,043 CC: \$250,132

FINAL REPORT



Coastal
The Energy People

Ms. Vicky Dyson
State of Utah
Department of Resources
Division of Oil, Gas, & Mining



RE: NBU #228, API # 43-047-32636 *PGW 1521217*
CIGE #183-20-9-21, API # 43-047-32656
Submittal of Logs

Dear Ms. Dyson,

Enclosed are the CBL/CCL/GR logs you requested for the referenced wells. Please forgive the delay in the receipt of these logs.

If you have questions, please call me at (303) 573-4476.

Sincerely,

Bonnie (Johnston) Carson
Senior Environmental Analyst

Coastal Oil & Gas Corporation

A SUBSIDIARY OF THE COASTAL CORPORATION
600 17TH ST • STE 800 S • P O BOX 749 • DENVER CO 80201-0749 • 303/572-1121

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

43-041-32636
FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT" - for such proposals

SUBMIT IN TRIPPLICATE

1. Type of Well

☐

Oil Well

☒

Gas Well

☐

Other

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone No.

P. O. Box 749, Denver, CO 80201-0749

(303) 573-4476

4. Location of Well (Footage, Sec., T., R., M., Or Survey Description)

See attached spreadsheet

5. Lease Designation and Serial No.

See attached spreadsheet

6. If Indian, Allottee or Tribe Name

See attached spreadsheet

7. If Unit or CA, Agreement Designation

Natural Buttes Unit

8. Well Name and No.

See attached spreadsheet

9. API Well No.

See attached spreadsheet

10. Field and Pool, Or Exploratory Area

Natural Buttes

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☐

Notice of Intent

☒

Subsequent Report

☐

Final Abandonment Notice

TYPE OF ACTION

☐

Abandonment

☐

Recompletion

☐

Plugging Back

☐

Casing Repair

☐

Altering Casing

☐

Other

☐

Change of Plans

☐

New Construction

☐

Non-Routine Fracturing

☐

Water Shut-Off

☐

Conversion to Injection

☒

Dispose Water

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markets and zones pertinent to this work.)

The Operator requests approval to empty produced water into tanks on the listed locations. The produced water will then be transported by truck to the underground injection well NBU #159, located at NE/SW Section 35, T9S-R21E, for disposal. Furthermore, the Operator requests approval for the presence of small unlined pits, approximate dimensions of 7' x 7' x 4' deep, to be located immediately adjacent to the stock tanks on the listed locations. The small pits may be necessary to drain off water from the stock tanks at the time of condensate sales. The water will be emptied from the small pit and trucked to the NBU #159 disposal well. The volume of water to be disposed of at each facility will not exceed an average of 5 barrels per day on a monthly basis, in conformance with the requirements of Onshore Order #7.

The listed locations include all wells listed in a Request to Dispose Water sundry dated 10/11/96, as well as all wells drilled to date in the Operator's 1997 drilling program in the Natural Buttes field.

Accepted by the State
of Utah Division of
Oil, Gas and Mining

Date: 12-1-97
By: [Signature] 10/28/97

303-600-3077

14. I hereby certify that the foregoing is true and correct

Signed

Bonnie Carson

Title Senior Environmental Analyst

By:

Date

10/28/97

(This space for Federal or State office use)

APPROVED BY

Title

Date

Conditions of approval, if any:

Must meet all mining guidelines

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

Well Name & No.	API No.	Lease Designation & Serial Number	If Indian, Allottee or Tribe Name	Footages	Qtr/Qtr	Section	Township	Range	Field	County
CIGE #105D-1-10-22E	43-047-31758	U-011336	N/A	842' FNL & 2095' FWL	NENW	1	10	22	Natural Buttes	Uintah
CIGE #114-34-9-21	43-047-31915	ST U-01194-A	N/A	1931' FSL & 535' FEL	NESE	34	9	21	Natural Buttes	Uintah
CIGE #118-35-9-22	43-047-32025	U-010954-A	N/A	2116' FSL & 615' FEL	NESE	35	9	22	Natural Buttes	Uintah
CIGE #124-9-9-21	43-047-32045	U-01188	Ute Tribe Surface	1854' FSL & 1819' FEL	NWSE	9	9	21	Natural Buttes	Uintah
CIGE #129-18-9-21	43-047-32043	U-0581	Ute Tribe Surface	928' FNL & 1837' FWL	NENW	18	9	21	Natural Buttes	Uintah
CIGE #130-19-9-21	43-047-32030	U-0581	Ute Tribe Surface	772' FNL & 714' FEL	NENE	19	9	21	Natural Buttes	Uintah
CIGE #140-16-10-21	43-047-31977	ST ML-10755	N/A	380' FNL & 591' FEL	NENE	16	10	21	Natural Buttes	Uintah
CIGE #144-2-10-22	43-047-32022	ST ML-22651	N/A	1501' FNL & 1719' FEL	SWNE	2	10	22	Natural Buttes	Uintah
CIGE #149-8-10-21	43-047-32056	U-01791	N/A	833' FNL & 2011' FEL	NWNE	8	10	21	Natural Buttes	Uintah
CIGE #161-2-10-22	43-047-32168	ST ML-22651	N/A	297' FSL & 1033' FEL	SESE	2	10	22	Natural Buttes	Uintah
CIGE #164-34-9-22	43-047-32353	U-0149077	N/A	660' FNL & 1739' FWL	NENW	34	9	22	Natural Buttes	Uintah
CIGE #178-5-10-22	43-047-32330	U-01195	N/A	926' FWL & 685' FNL	NWNW	5	10	22	Natural Buttes	Uintah
CIGE #180-16-9-21	43-047-32478	ST ML-3141	N/A	333' FSL & 2557' FWL	SESW	16	9	21	Natural Buttes	Uintah
CIGE #183-20-9-21	43-047-32656	U-0575	Ute Tribe Surface	1725' FSL & 2386' FEL	SWSE	20	9	21	Natural Buttes	Uintah
CIGE #187-13-10-20	43-047-32607	U-4485	N/A	900' FNL & 2200' FWL	NENW	13	10	20	Natural Buttes	Uintah
CIGE #189-29-9-22	43-047-32816	USA U-462	N/A	1574' FNL & 720' FWL	SWNW	29	9	22	Natural Buttes	Uintah
CIGE #194-1-10-22	43-047-32932	USA U-011336	N/A	2017' FNL & 61' FWL	SWNW	1	10	22	Natural Buttes	Uintah
CIGE #197-7-9-21	43-07-32798	U-0149747	N/A	854' FNL & 2178' FEL	NWNE	7	9	21	Natural Buttes	Uintah
CIGE #198-9-9-21	43-047-32799	U-01188	Ute Tribe Surface	2502' FSL & 772' FEL	NESE	9	9	21	Natural Buttes	Uintah
CIGE #199-14-9-21	43-047-32801	U-01193	Ute Tribe Surface	959' FNL & 1760' FWL	NENW	14	9	21	Natural Buttes	Uintah
CIGE #200-16-9-21	43-047-32802	U-38409	Ute Tribe Surface	1950' FNL & 2500' FWL	SENW	16	9	21	Natural Buttes	Uintah
CIGE #201-18-9-21	43-047-32804	U-0575	Ute Tribe Surface	1814' FNL & 944' FEL	SENE	18	9	21	Natural Buttes	Uintah
CIGE #202-21-9-21	43-047-32805	U-0575	Ute Tribe Surface	785' FSL & 471' FEL	SESE	21	9	21	Natural Buttes	Uintah
CIGE #204-35-9-21	43-047-32794	ML-22582	N/A	2055' FNL & 1604' FEL	SWNE	35	9	21	Natural Buttes	Uintah
CIGE #205-1-10-21	43-047-32795	ML-23612	N/A	2110' FNL & 2607' FEL	SWNE	1	10	21	Natural Buttes	Uintah
CIGE #221-36-9-22	43-047-32868	ML-22650	N/A	550' FSL & 514' FEL	NESW	13	9	21	Natural Buttes	Uintah
CIGE #235-25-9-21	43-047-32858	U-01194-ST	N/A	1900' FSL & 1800' FEL	NWSE	25	9	21	Natural Buttes	Uintah
CIGE #236-34-9-21	43-047-32861	U-01194-A-ST	N/A	428' FSL & 882' FEL	SESE	34	9	21	Natural Buttes	Uintah
CIGE #23-7-10-22	43-047-30333	ST ML-23609	N/A	1573' FNL & 1024' FEL	SENE	7	10	22	Natural Buttes	Uintah
CIGE #25-34-9-22	43-047-30737	U-0149077	N/A	2037' FNL & 1608' FWL	SENW	34	9	22	Natural Buttes	Uintah
CIGE #3-32-9-22	43-047-30320	ST ML-22649	N/A	2270' FNL & 900' FEL	SENE	32	9	22	Natural Buttes	Uintah
CIGE #43-14-10-22	43-047-30491	U-01197-A-ST	N/A	1437' FWL & 1416' FNL	NW	14	10	22	Natural Buttes	Uintah
CIGE #59-21-10-21	43-047-30548	U-02278	N/A	809' FSL & 1081' FWL	SWSW	21	10	21	Natural Buttes	Uintah
CIGE #6-19-9-21 (GR)	43-047-30356	U-0581	N/A	1122' FSL & 1542' FEL	SWSE	19	9	21	Natural Buttes	Uintah
CIGE #63D-29-9-22P	43-047-30949	U-462	N/A	521' FNL & 977' FWL	NWNW	29	9	22	Natural Buttes	Uintah
CIGE #9-36-9-22	43-047-30419	ST ML-22650	N/A	2090' FSL & 1852' FEL	NWSE	36	9	22	Natural Buttes	Uintah
CIGE #97D-31-9-22	43-047-31729	U-01530-A-ST	N/A	548' FSL & 907' FEL	SESE	31	9	22	Natural Buttes	Uintah
Morgan State #10-36	43-047-32816	ML-22265	N/A	1794' FNL & 649' FEL	SENE	36	9	21	Natural Buttes	Uintah
Morgan State #11-36	43-047-32813	ML-22265	N/A	1943' FSL & 1843' FEL	NESW	36	9	21	Natural Buttes	Uintah
Morgan State #12-36	43-047-32814	ML-22265	N/A	1992' FSL & 722' FEL	NESE	36	9	21	Natural Buttes	Uintah
Morgan State #13-36	43-047-32817	ML-22265	N/A	540' FSL & 815' FEL	SESE	36	9	21	Natural Buttes	Uintah
Morgan State #2-36	43-047-32585	ST ML-22265	N/A	900' FNL & 804' FWL	NWNW	36	9	21	Natural Buttes	Uintah
Morgan State #4-36	43-047-32729	ST ML-22265	N/A	1912' FSL & 649' FWL	NWSW	36	9	21	Natural Buttes	Uintah
Morgan State #5-36	43-047-32735	ST ML-22265	N/A	2100' FSL & 1800' FEL	NWSE	36	9	21	Natural Buttes	Uintah
Morgan State #8-36	43-047-32812	ML-22265	N/A	650' FNL & 690' FEL	NENE	36	9	21	Natural Buttes	Uintah
Morgan State #9-36	43-047-32815	ML-22265	N/A	1894' FNL & 1978' FEL	SWNE	36	9	21	Natural Buttes	Uintah
NBU #105	43-047-32302	U-0575	N/A	1026' FSL & 1011' FWL	SWSW	17	9	21	Natural Buttes	Uintah
NBU #113	43-047-31931	U-0149077	N/A	580' FSL & 854' FEL	SESE	34	9	22	Natural Buttes	Uintah
NBU #118	43-047-31969	U-5077-B	Ute Tribe Surface	1700' FNL & 660' FEL	SENE	22	9	20	Natural Buttes	Uintah
NBU #12	43-047-30119	U-461	N/A	1563' FSL & 2328' FEL	NWSE	18	9	22	Natural Buttes	Uintah

NBU #121	43-047-32086	UTU-01193	Ute Tribe Surface	819' FNL & 2163' FEL	NWNE	13	9	21	Natural Buttes	Uintah
NBU #123	43-047-31974	U-01188	N/A	827' FNL & 916' FWL	NWNW	15	9	21	Natural Buttes	Uintah
NBU #131	43-047-31966	U-0149075	Ute Tribe Surface	1699' FSL & 800' FWL	NWSW	23	9	21	Natural Buttes	Uintah
NBU #134	43-047-32011	U-0576	N/A	138' FSL & 836' FWL	SWSW	28	9	21	Natural Buttes	Uintah
NBU #140	43-047-31947	U-01191-A	N/A	1031' FNL & 1879' FEL	NWNE	5	10	22	Natural Buttes	Uintah
NBU #148	43-047-31983	U-01191	N/A	279' FSL & 2127' FWL	SESW	4	10	22	Natural Buttes	Uintah
NBU #150	43-047-31992	U-01196-B	N/A	2042' FNL & 2002' FWL	SESW	9	10	22	Natural Buttes	Uintah
NBU #152	43-047-31990	U-01196-D	N/A	815' FSL & 754' FEL	SESE	9	10	22	Natural Buttes	Uintah
NBU #153	43-047-31975	ST U-01197-A	N/A	2500' FNL & 974' FWL	SWNW	11	10	22	Natural Buttes	Uintah
NBU #18	43-047-30221	U-025187	N/A	2401' FWL & 2337' FSL	SWNE	10	10	22	Natural Buttes	Uintah
NBU #180	43-047-32113	U-025187	N/A	843' FSL & 2075' FEL	SWSE	10	10	22	Natural Buttes	Uintah
NBU #182	43-047-32162	U-0141315	N/A	1809' FNL & 1519' FWL	SESW	11	9	21	Natural Buttes	Uintah
NBU #185	43-047-32171	U-01191-A	N/A	2132' FNL & 2126' FEL	SWNE	3	10	22	Natural Buttes	Uintah
NBU #187	43-047-32230	U-0149077	N/A	1057' FSL & 2321' FWL	SESW	34	9	22	Natural Buttes	Uintah
NBU #188	43-047-32234	U-01196-C	N/A	699' FWL & 1248' FSL	SWSW	10	10	22	Natural Buttes	Uintah
NBU #189	43-047-32236	U-0149075	Ute Tribe Surface	1551' FWL & 1064' FSL	SESW	23	9	21	Natural Buttes	Uintah
NBU #198	43-047-32357	U-010950-A	N/A	2041' FEL & 2107' FSL	NWSE	22	9	21	Natural Buttes	Uintah
NBU #201	43-047-32364	U-0149767	Ute Tribe Surface	2310' FNL & 500' FWL	SWNW	9	9	21	Natural Buttes	Uintah
NBU #206	43-047-32341	U-01196-C	N/A	2209' FNL & 303' FWL	SWNW	10	10	22	Natural Buttes	Uintah
NBU #207	43-047-32329	ST U-01197	N/A	912' FNL & 1685' FWL	NENW	10	10	22	Natural Buttes	Uintah
NBU #208	43-047-32343	U-01191	N/A	790' FSL & 569' FEL	SESE	4	10	22	Natural Buttes	Uintah
NBU #210	43-047-32340	U-01196-C	N/A	1956' FSL & 2060' FWL	NESW	10	10	22	Natural Buttes	Uintah
NBU #216	43-047-32487	U-010950-A	Ute Tribe Surface	1875' FSL & 1665' FWL	NESW	15	9	21	Natural Buttes	Uintah
NBU #223	43-047-32517	U-01194-ST	N/A	514' FNL & 2174' FWL	NENW	26	9	21	Natural Buttes	Uintah
NBU #228	43-047-32636	U-0575	Ute Tribe Surface	660' FSL & 1843' FEL	SWSE	17	9	21	Natural Buttes	Uintah
NBU #229	43-47-32594	U-01191-A	N/A	1019' FNL & 1712' FEL	NWNE	3	10	22	Natural Buttes	Uintah
NBU #230A	43-047-32908	U-01191-A	N/A	1849' FNL & 677' FEL	SENE	3	10	22	Natural Buttes	Uintah
NBU #231	43-047-32561	U-01191-A-ST	N/A	966' FNL & 1539' FEL	NWNE	10	10	22	Natural Buttes	Uintah
NBU #252	43-047-32800	U-0141315	Ute Tribal Surface	641' FNL & 1845' FWL	NENW	10	9	21	Natural Buttes	Uintah
NBU #254	43-047-32803	U-0575	Ute Tribal Surface	1840' FNL & 2014' FWL	NESW	17	9	21	Natural Buttes	Uintah
NBU #255	43-047-32806	U-0575	Ute Tribal Surface	642' FSL & 1235' FWL	SESW	21	9	21	Natural Buttes	Uintah
NBU #256	43-047-32807	U-0147566	Ute Tribal Surface	2213' FNL & 2312' FWL	SESW	22	9	21	Natural Buttes	Uintah
NBU #257	43-047-32790	ST U-01194	N/A	1756' FNL & 2150' FWL	SESW	25	9	21	Natural Buttes	Uintah
NBU #258	43-047-32791	ST U-01194	N/A	1880' FNL & 211' FEL	SENE	26	9	21	Natural Buttes	Uintah
NBU #259	43-047-32792	ST U-01194	N/A	2300' FNL & 1850' FEL	SWNE	26	9	21	Natural Buttes	Uintah
NBU #263	43-047-32793	ST U-01194-A	N/A	1641' FNL & 1832' FWL	SESW	34	9	21	Natural Buttes	Uintah
NBU #265	43-047-32796	ML-13826	N/A	1953' FSL & 632' FEL	NESE	2	10	21	Natural Buttes	Uintah
NBU #270	43-047-32862	ML-23608	N/A	1963' FNL & 801' FWL	SWNW	13	10	21	Natural Buttes	Uintah
NBU #280	43-047-32865	ML-32935-A	N/A	2596' FSL & 1459' FWL	NESW	31	9	22	Natural Buttes	Uintah
NBU #289	43-047-32910	U-01191	N/A	463' FSL & 2023' FWL	SESW	3	10	22	Natural Buttes	Uintah
NBU #291	43-047-32911	U-1196-D	N/A	457' FNL & 570' FEL	NENE	9	10	22	Natural Buttes	Uintah
NBU #38N2	43-047-30536	U-08512-ST	N/A	1752' FWL & 1768' FSL	CSW	13	10	22	Natural Buttes	Uintah
NBU #80V	43-047-31240	U-0149077	N/A	2042' FSL & 984' FWL	NWSW	34	9	22	Natural Buttes	Uintah
NBU #86J	43-047-31251	U-01191-A	N/A	492' FNL & 722' FEL	NENE	3	10	22	Natural Buttes	Uintah

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☐ OTHER _____

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR:

8 South 1200 East CITY Vernal STATE Utah ZIP 84078

PHONE NUMBER:

435-789-4433

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

COUNTY:

STATE:

UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☒ OTHER: Name Change

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation

NAME (PLEASE PRINT)

John T. Elzner

TITLE Vice President

SIGNATURE

DATE 06-15-01

El Paso Production Oil & Gas Company

NAME (PLEASE PRINT)

John T. Elzner

TITLE Vice President

SIGNATURE

DATE 06-15-01

(This space for State use only)

RECEIVED

JUN 19 2001

DIVISION OF
OIL, GAS AND MINING

State of Delaware
Office of the Secretary of State

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

JUN 14 2001

DIVISION OF
OIL, GAS AND MINING



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST," so that, as amended, said Article shall be and read as follows:

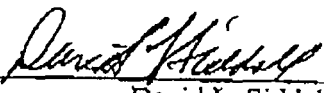
"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

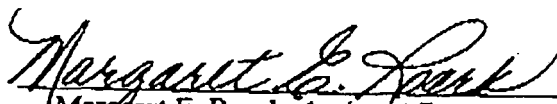
IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL & GAS CORPORATION



David L. Siddall
Vice President

Attest:



Margaret E. Roark, Assistant Secretary

RECEIVED

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 11:00 AM 03/09/2001
010118394 - 0610204

JUN 19 2001

DIVISION OF
OIL, GAS AND MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

RECEIVED

JUL 12 2001

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:

3106

UTSL-065841

(UT-924)

JUL 10 2001

NOTICE

El Paso Production Oil & Gas Company : Oil and Gas
Nine Greenway Plaza :
Houston TX 77046-0095 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

For our purposes, the name change is recognized effective March 9, 2001.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Coastal Oil & Gas Corporation to El Paso Production Oil & Gas Company. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Wyoming and Colorado.



Opolonia L. Abeyta
Acting Chief, Branch of
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
~~State of Utah, DOGM~~, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

Exhibit of Leases

UTUSL-065841A	UTU-47172	UTU-74415	UTU-53860
UTU-28652	UTU-50687	UTU-74416	UTU-66401
UTU-37943	UTU-52298	UTU-75091	UTU-67868
UTU-44089	UTU-0109054	UTU-75096	UTU-65389
UTU-44090A	UTU-0143511	UTU-75097	UTU-77084
UTU-61263	UTU-0143512	UTU-75673	UTU-61430
UTU-00343	UTU-38401	UTU-76259	UTU-72633
UTU-02651	UTU-38411	UTU-76260	UTU-72650
UTU-02651B	UTU-38418	UTU-76261	UTU-49692
UTU-0142175	UTU-38419	UTU-76493	UTU-57894
UTU-70235	UTU-38420	UTU-76495	UTU-76829
UTU-70406	UTU-38421	UTU-76503	UTU-76830
UTU-74954	UTU-38423	UTU-78228	UTU-76831
UTU-75132	UTU-38424	UTU-78714	
UTU-75699	UTU-38425	UTU-78727	
UTU-76242	UTU-38426	UTU-78734	
UTU-78032	UTU-38427	UTU-79012	
UTU-4377	UTU-38428	UTU-79011	
UTU-4378	UTU-53861	UTU-71694	
UTU-7386	UTU-58097	UTU-00576	
UTU-8344A	UTU-64376	UTU-00647	
UTU-8345	UTU-65222	UTU-01470D	
UTU-8347	UTU-65223	UTU-0136484	
UTU-8621	UTU-66746	UTU-8344	
UTU-14646	UTU-67178	UTU-8346	
UTU-15855	UTU-67549	UTU-8648	
UTU-25880	UTU-72028	UTU-28212	
UTU-28213	UTU-72632	UTU-30289	
UTU-29535	UTU-73009	UTU-31260	
UTU-29797	UTU-73010	UTU-33433	
UTU-31736	UTU-73013	UTU-34711	
UTU-34350	UTU-73175	UTU-46699	
UTU-34705	UTU-73434	UTU-78852	
UTU-37116	UTU-73435	UTU-78853	
UTU-37355	UTU-73444	UTU-78854	
UTU-37573	UTU-73450	UTU-075939	
UTU-38261	UTU-73900	UTU-0149767	
UTU-39223	UTU-74409	UTU-2078	
UTU-40729	UTU-74410	UTU-44426	
UTU-40736	UTU-74413	UTU-49530	
UTU-42469	UTU-74414	UTU-51026	

OPERATOR CHANGE WORKSHEET**ROUTING**

1. GLH		4-KAS
2. CDW		5-LP
3. JLT		6-FILE

Enter date after each listed item is completed

Change of Operator (Well Sold)

Designation of Agent

Operator Name Change (Only)

X **Merger**The operator of the well(s) listed below has changed, effective: **3-09-2001**

FROM: (Old Operator):
COASTAL OIL & GAS CORPORATION
Address: 9 GREENWAY PLAZA STE 2721
HOUSTON, TX 77046-0995
Phone: 1-(713)-418-4635
Account N0230

TO: (New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY
Address: 9 GREENWAY PLAZA STE 2721 RM 2975B
HOUSTON, TX 77046-0995
Phone: 1-(832)-676-4721
Account N1845

CA No.**Unit: NATURAL BUTTES****WELL(S)**

NAME	API NO	ENTITY NO	SEC TWN RNG	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 216	43-047-32487	2900	15-09S-21E	FEDERAL	GW	P
CIGE 216-15-9-21	43-047-32920	2900	15-09S-21E	FEDERAL	GW	P
NBU 298	43-047-33041	2900	15-09S-21E	FEDERAL	GW	P
CIGE 215X	43-047-33690	2900	15-09S-21E	FEDERAL	GW	P
CIGE 237	43-047-33878	99999	15-09S-21E	FEDERAL	GW	APD
NBU CIGE 45-15-9-21	43-047-30528	2900	15-09S-21E	FEDERAL	GW	P
NBU CIGE 78C-16-9-21	43-047-30870	2900	16-09S-21E	FEDERAL	GW	P
NBU 124	43-047-31971	2900	16-09S-21E	FEDERAL	GW	P
CIGE 157-16-9-21	43-047-32160	2900	16-09S-21E	FEDERAL	GW	P
CIGE 200-16-9-21	43-047-32802	2900	16-09S-21E	FEDERAL	GW	P
NBU 34-17B	43-047-30404	2900	17-09S-21E	FEDERAL	GW	S
NBU 105	43-047-32302	2900	17-09S-21E	FEDERAL	GW	P
NBU 125	43-047-32350	2900	17-09S-21E	FEDERAL	GW	P
NBU 316-17E	43-047-32381	2900	17-09S-21E	FEDERAL	GW	P
NBU 228	43-047-32636	2900	17-09S-21E	FEDERAL	GW	P
NBU 254	43-047-32803	2900	17-09S-21E	FEDERAL	GW	P
NBU 30-18B	43-047-30380	2900	18-09S-21E	FEDERAL	GW	P
CIGE 72-18-9-21	43-047-30634	2900	18-09S-21E	FEDERAL	GW	P
CIGE 129-18-9-21	43-047-32043	2900	18-09S-21E	FEDERAL	GW	P
NBU 304-18E	43-047-32130	2900	18-09S-21E	FEDERAL	GW	P

OPERATOR CHANGES DOCUMENTATION

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 06/19/2001
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 06/19/2001
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 06/21/2001
4. Is the new operator registered in the State of Utah: YES Business Number: 608186-0143

5. If **NO**, the operator was contacted contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 07/10/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: 07/10/2001
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 07/30/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 07/30/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE BOND VERIFICATION:

1. State well(s) covered by Bond No.: N/A

FEDERAL BOND VERIFICATION:

1. Federal well(s) covered by Bond No.: WY 2793

FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond No: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: _____

FILMING:

1. All attachments to this form have been **MICROFILMED** on: _____

FILING:

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filed in each well file on: _____

COMMENTS: Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company shall be retained in the "Operator Change File".

JAN. 17. 2003 3:34PM

WESTPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203
BLM Nationwide Bond 158626364
Surety - Continental Casualty Company
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.
Assumption Rider - Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,
Westport Oil and Gas Company, L.P.

Debby J. Black
Engineer Technician

Encl:



United States Department of the Interior **RECEIVED**

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas
410 Seventeenth Street, #2300 :
Denver Colorado 80215-7093 :

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

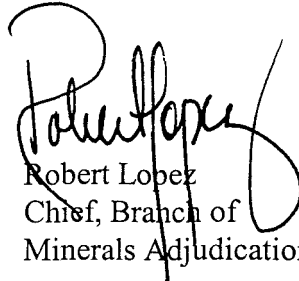
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405
UTU-20895
UTU-25566
UTU-43156
UTU-49518
UTU-49519
UTU-49522
UTU-49523



Robert Lopez
Chief, Branch of
Minerals Adjudication

cc: Moab Field Office
Vernal Field Office
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114
Teresa Thompson (UT-922)
Joe Incardine (UT-921)

memorandum

Branch of Real Estate Services
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

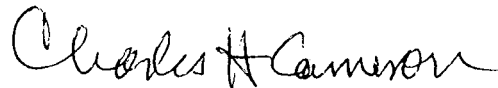
We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES
Ute Energy & Mineral Resources Department: Executive Director
chrono





United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:
Real Estate Services

Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

IN REPLY REFER TO
UT-922

February 27, 2003

Westport Oil and Gas Company, L.P.
Attn: Gary D. Williamson
1670 Broadway, Suite 2800
Denver, Colorado 80202

Re: Natural Buttes Unit
Uintah County, Utah

Gentlemen:

On February 27, 2003, we received an indenture dated December 17, 2002, whereby El Paso Production Oil & Gas Company resigned as Unit Operator and Westport Oil and Gas Company, L.P., was designated as Successor Unit Operator for the Natural Buttes Unit, Uintah County, Utah.

This indenture was executed by all required parties and the signatory parties have complied with Sections 5 and 6 of the unit agreement. The instrument is hereby approved effective February 27, 2003. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under the Natural Buttes Unit Agreement.

Your nationwide (Colorado) oil and gas bond No. 1203 will be used to cover all operations within the Natural Buttes Unit.

It is requested that you notify all interested parties of the change in unit operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

/s/ Robert A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: Field Manager - Vernal (w/enclosure)
SITLA
Division of Oil, Gas & Mining
Minerals Adjudication Group
File - Natural Buttes Unit (w/enclosure)
Agr. Sec. Chron
Fluid Chron
UT922:TAThompson:tt:02/27/2003

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER:
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
		8. WELL NAME and NUMBER: Exhibit "A"
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		9. API NUMBER:
2. NAME OF OPERATOR: El Paso Production Oil & Gas Company		10. FIELD AND POOL, OR WILDCAT:
3. ADDRESS OF OPERATOR: 9 Greenway Plaza Houston TX 77064-0995		PHONE NUMBER: (832) 676-5933
4. LOCATION OF WELL FOOTAGES AT SURFACE: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:		COUNTY: STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input checked="" type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____			

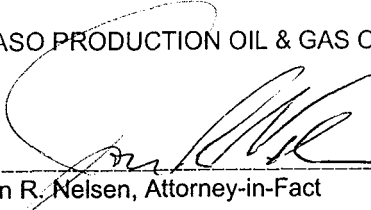
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # _____

State Surety Bond No. RLB0005236
Fee Bond No. RLB0005238

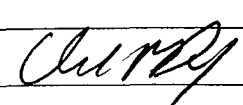
EL PASO PRODUCTION OIL & GAS COMPANY

By: 
Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.	
NAME (PLEASE PRINT) David R. Dix	TITLE Agent and Attorney-in-Fact
SIGNATURE 	DATE 12/17/02

(This space for State use only)

Form 3160-5
(August 1999)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7023

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED EXHIBIT "A"

5. Lease Serial No.

SEE ATTACHED EXHIBIT "A"

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

SEE ATTACHED EXHIBIT "A"

9. API Well No.

SEE ATTACHED EXHIBIT "A"

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	SUCCESSOR OF
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zone. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed when testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Date

March 4, 2003

Approved by

THIS SPACE FOR FEDERAL OR STATE USE

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

OPERATOR CHANGE WORKSHEET

ROUTING

1. GLH

2. CDW

3. FILE

X Change of Operator (Well Sold)

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **12-17-02****FROM:** (Old Operator):

EL PASO PRODUCTION OIL & GAS COMPANY

Address: 9 GREENWAY PLAZA

HOUSTON, TX 77064-0995

Phone: 1-(832)-676-5933

Account No. N1845

TO: (New Operator):

WESTPORT OIL & GAS COMPANY LP

Address: P O BOX 1148

VERNAL, UT 84078

Phone: 1-(435)-781-7023

Account No. N2115

CA No.

Unit:

NATURAL BUTTES

WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
NBU 299	16-09S-21E	43-047-33012	2900	STATE	GW	P
CIGE 180-16-9-21	16-09S-21E	43-047-32478	2900	STATE	GW	P
CIGE 156-16-9-21	16-09S-21E	43-047-32195	2900	STATE	GW	P
CIGE 157-16-9-21	16-09S-21E	43-047-32160	2900	FEDERAL	GW	P
NBU CIGE 19-16-9-21	16-09S-21E	43-047-30459	2900	STATE	GW	P
NBU CIGE 78C-16-9-21	16-09S-21E	43-047-30870	2900	FEDERAL	GW	P
NBU CIGE 86D-16-9-21	16-09S-21E	43-047-30886	2900	STATE	GW	P
NBU 124	16-09S-21E	43-047-31971	2900	FEDERAL	GW	P
NBU 104	16-09S-21E	43-047-31957	2900	STATE	GW	P
CIGE 127-16-9-21	16-09S-21E	43-047-32036	2900	STATE	GW	P
CIGE 200-16-9-21	16-09S-21E	43-047-32802	2900	FEDERAL	GW	P
NBU 228	17-09S-21E	43-047-32636	2900	FEDERAL	GW	P
NBU 316-17E	17-09S-21E	43-047-32381	2900	FEDERAL	GW	P
NBU 125	17-09S-21E	43-047-32350	2900	FEDERAL	GW	P
NBU 254	17-09S-21E	43-047-32803	2900	FEDERAL	GW	P
NBU 105	17-09S-21E	43-047-32302	2900	FEDERAL	GW	P
NBU 370	17-09S-21E	43-047-34672	99999	FEDERAL	GW	APD
CIGE 72-18-9-21	18-09S-21E	43-047-30634	2900	FEDERAL	GW	P
CIGE 201-18-9-21	18-09S-21E	43-047-32804	2900	FEDERAL	GW	P
NBU 30-18B	18-09S-21E	43-047-30380	2900	FEDERAL	GW	P

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
- The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
- Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- If **NO**, the operator was contacted on: _____

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: N/A

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 03/11/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/11/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

STATE WELL(S) BOND VERIFICATION:

1. State well(s) covered by Bond Number: RLB 0005236

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: 158626364

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: RLB 0005239

FEE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238
2. The **FORMER** operator has requested a release of liability from their bond on: N/A
The Division sent response by letter on: N/A

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY, L.P.

3a. Address

P.O. BOX 1148 VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Multiple Wells - see attached

5. Lease Serial No.

Multiple Wells - see attached

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

891008900A

8. Well Name and No.

Multiple Wells - see attached

9. API Well No.

Multiple Wells - see attached

10. Field and Pool, or Exploratory Area

Natural Buttes Unit

11. County or Parish, State

Uintah County, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part IIIC.a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped.

The average NBU well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached.

Westport Oil & gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

J.T. Conley

Signature

COPY SENT TO OPERATOR

Date:

Initials:

Title

Date

Operations Manager

9-2-2003

SEP 10 2003

DIV OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Federal Approval of This
Action Is Necessary

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Date:

9/16/03

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

Westport Oil & Gas, L.P.

Project Economics Worksheet

Instructions:

Fill in blue areas with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name:

Condensate Shrinkage Economics

Is this job a well pull or production rig job ??? ☐ N (Y or N)

	BEFORE \$/Year	AFTER \$/Year	DIFFERENCE \$/Year
Gross Oil Revenue	\$1,088	\$1,099	\$11
Gross Gas Revenue	\$0	\$0	\$0
NGL Revenue	\$0	\$0	\$0
PULING UNIT SERVICE			\$0
WIRELINE SERVICE			\$0
SUBSURF EQUIP REPAIRS			\$0
COMPANY LABOR			\$0
CONTRACT LABOR	\$0	\$200	\$200
CONTR SERVICE			\$0
LEASE FUEL GAS	\$0	\$0	\$0
UTILITIES - ELECTRICITY	\$0	\$0	\$0
CHEMICAL TREATING			\$0
MATERIAL & SUPPLY	\$0	\$150	\$150
WATER & HAULING			\$0
ADMINISTRATIVE COSTS			\$0
GAS PLANT PROCESSING			\$0
Totals	\$0	\$350	\$350

Increased OPX Per Year

Investment Breakdown:

	Cap/Exp Code	Cost, \$
Capital \$	820/830/840	\$1,200
Expense \$	830/860	\$0
Total \$		\$1,200

Oil Price	\$ 23.00	\$/BO
Gas Price	\$ 3.10	\$/MCF
Electric Cost	\$ -	\$/ HP / day
OPX/BF	\$ 2.00	\$/BF
OPX/MCF	\$ 0.62	\$/MCF

Production & OPX Detail:

	Before		After		Difference
Oil Production	0.192	BOPD	0.194	BOPD	0.002
Gas Production	0	MCFFPD	0	MCFFPD	0
Wtr Production	0	BWPD	0	BWPD	0
Horse Power		HP		HP	0
Fuel Gas Burned		MCFFPD		MCFFPD	0

Project Life:

Life = 20.0 Years
(Life no longer than 20 years)

Internal Rate of Return:

After Tax IROR = #DIV/0!

AT Cum Cashflow:

Operating Cashflow = (\$2,917) (Discounted @ 10%)

Payout Calculation:

Payout = $\frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}}$ = 1

Payout occurs when total AT cashflow equals investment
See graph below, note years when cashflow reaches zero

Payout = NEVER Years or #VALUE! Days

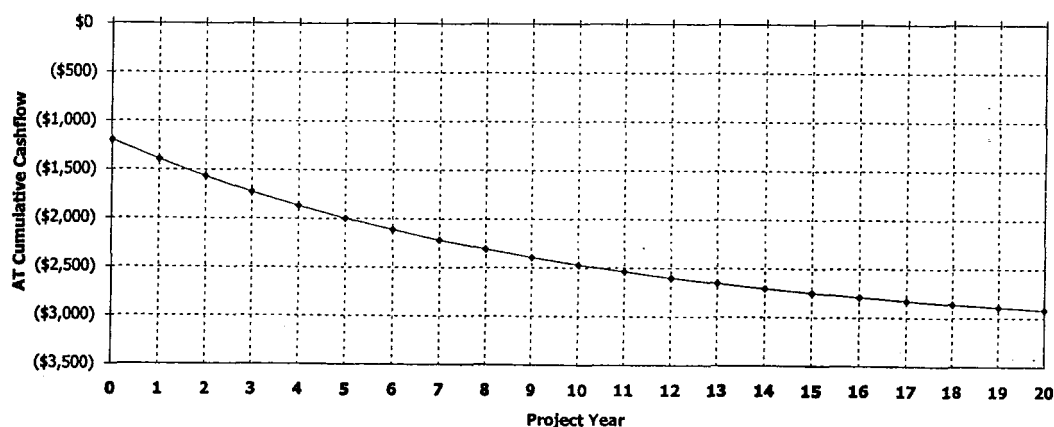
Gross Reserves:

Oil Reserves = 6 BO
Gas Reserves = 0 MCF
Gas Equiv Reserves = 38 MCFE

Notes/Assumptions:

An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.196 Bcpd if 6 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics



Westport Oil and Gas, Inc.

NBU/Ouray Field

RFL 2003-022

COMPARISON OF FLASH BACK PRESSURES

Calculated by Characterized Equation-of-State

Flash Conditions		Gas/Oil Ratio (scf/STbbl) (A)	Specific Gravity of Flashed Gas (Air=1.000)	Separator Volume Factor (B)	Separator Volume Percent (C)
psig	°F				

Calculated at Laboratory Flash Conditions

80	70			1.019	
0	122	30.4	0.993	1.033	101.37%
0	60	0.0	—	1.000	98.14%

Calculated Flash with Backpressure using Tuned EOS

80	70			1.015	
6.0 oz	65	24.6	0.777	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
4.0 oz	65	24.7	0.778	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
2.0 oz	65	24.7	0.779	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
0	65	24.8	0.780	1.003	98.82%
0	60	0.0	—	1.000	98.52%

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

NBU 163	14-10-21 NENW	UTU0465	891008900A	430473206900S1
NBU 164	3-10-22 NWSE	UTU01191A	891008900A	430473205500S1
NBU 165	3-10-22 NENW	UTU01191	891008900A	430473205700S1
NBU 166	28-9-21 SWSE	U05676	891008900A	430473206500S1
NBU 167	25-9-21 SESW	U01194	891008900A	430473205400S1 ✓
NBU 168	12-10-20 NWSW	UTU4478	891008900A	430473211700S1 ✓
NBU 169	12-10-20 SESW	UTU4478	891008900A	430473211800S1
NBU 170	4-10-22 NWNW	UTU01191A	891008900A	430473216900S1
NBU 171	5-10-22 SENE	UTU01191A	891008900A	430473211500S1
NBU 172	19-9-22 NENE	UTU0284	891008900A	430473219400S1
NBU 173	33-9-22 NWNE	UTU01191A	891008900A	430473211600S1
NBU 174	11-9-21 NWNW	UTU0141315	891008900A	430473219300S1
NBU 175	28-9-21 NENW	U05676	891008900A	430473214300S1
NBU 176	28-9-21 SWNW	U05676	891008900A	430473214400S1
NBU 177	29-9-21 NESE	UTU0581	891008900A	430473211200S1
NBU 178	30-9-21 NWNE	UTU0581	891008900A	430473212100S1
NBU 180	10-10-22 SWSE	UTU025187	891008900A	430473211300S1
NBU 181	9-9-21 SESW	UTU0576	891008900A	430473216100S1
NBU 182	11-9-21 SENW	UTU0141315	891008900A	430473216200S1
NBU 183	27-9-21 SWNW	U01194A	891008900A	430473212200S1 ✓
NBU 184	30-9-22 SESW	U463	891008900A	430473217000S1
NBU 185	3-10-22 SWNE	UTU01191A	891008900A	430473217100S1
NBU 186	30-9-22 SENE	U463	891008900A	430473223300S1
NBU 187	34-9-22 SESW	UTU0149077	891008900A	430473223000S1
NBU 188	10-10-22 SWSW	U01196C	891008900A	430473223400S1
NBU 189	23-9-21 SESW	UTU0149075	891008900A	430473223600S1
NBU 190	26-9-21 NWNE	U01194	891008900A	430473223200S1
NBU 191	15-9-21 SWSW	UTU010950A	891008900A	430473229800S1
NBU 192	22-9-21 NENW	UTU0147566	891008900A	430473229900S1
NBU 193	22-9-21 SWSW	UTU010950A	891008900A	430473230000S1
NBU 194	22-9-21 NESW	UTU010950A	891008900A	430473229600S1
NBU 195	11-9-21 NWNE	UTU0141317	891008900A	430473235500S1
NBU 198	22-9-21 NWSE	UTU010950A	891008900A	430473235700S1
NBU 199	9-9-21 SWSW	UTU0576A	891008900A	430473233700S1
NBU 200	19-9-22 NESE	UTU0284	891008900A	430473235900S1
NBU 201	9-9-21 SWNW	UTU0149767	891008900A	430473236400S1
NBU 202	8-9-21 NENE	UTU0149767	891008900A	430473233800S1
NBU 204	9-10-22 NWNE	UTU01196D	891008900A	430473234200S1
NBU 206	10-10-22 SWNW	U01196C	891008900A	430473234100S1
NBU 207	10-10-22 NENW	UTU69129	891008900A	430473232900S1 ✓
NBU 208	4-10-22 SESE	UTU01191	891008900A	430473234300S1
NBU 209	3-10-22 SWSW	UTU01191	891008900A	430473234500S1
NBU 210	10-10-22 NESW	U01196C	891008900A	430473234000S1
NBU 211	1-10-21 NWSW	U02842B	891008900A	430473233900S1
NBU 212	24-10-20 NENW	UTU4485	891008900A	430473239900S1
NBU 213	15-10-22 NWNW	UTU025187	891008900A	430473240100S1
NBU 214	27-9-21 NWSW	U01194	891008900A	430473246600S1 ✓
NBU 215	12-10-21 NWNW	UTU01190	891008900A	430473247100S1
NBU 216	15-9-21 NESW	UTU010950A	891008900A	430473248700S1
NBU 217	28-9-21 NESW	U05676	891008900A	430473248000S1
NBU 221X	34-9-21 NWNW	U01194A	891008900A	430473254500S1 ✓
NBU 222	11-10-22 SWNE	U01194A	891008900A	430473250900S1 ✓
NBU 223	26-9-21 NENW	U01194	891008900A	430473251700S1 ✓
NBU 224	26-9-21 NESW	U01194	891008900A	430473251600S1 ✓
NBU 228	17-9-21 SWSE	UTU0575	891008900A	430473263600S1
NBU 229	3-10-22 NWNE	UTU01191A	891008900A	430473259400S1
NBU 230A	3-10-22 SENE	UTU01191A	891008900A	430473290800S1
NBU 231	10-10-22 NWNE	U01197	891008900A	430473256100S1 ✓
NBU 236	30-9-22 SWNW	U463	891008900A	430473299400S1
NBU 242	5-10-22 SWSE	UTU01191	891008900A	430473294400S1
NBU 243	6-10-22 NWNW	UTU464	891008900A	430473293000S1
NBU 244	7-10-22 NESE	UTU466	891008900A	430473293100S1

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

ROUTING

1. DJJ

2. CDW

X Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

1/6/2006

FROM: (Old Operator):

N2115-Westport Oil & Gas Co., LP
 1368 South 1200 East
 Vernal, UT 84078
 Phone: 1-(435) 781-7024

TO: (New Operator):

N2995-Kerr-McGee Oil & Gas Onshore, LP
 1368 South 1200 East
 Vernal, UT 84078
 Phone: 1-(435) 781-7024

CA No.

Unit:

NATURAL BUTTES UNIT

WELL NAME

SEC TWN RNG

API NO

**ENTITY
NO**

**LEASE
TYPE**

**WELL
TYPE**

**WELL
STATUS**

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- 4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- 4b. If **NO**, the operator was contacted on: _____
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
7. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
8. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: _____

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 5/15/2006
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
3. Bond information entered in RBDMS on: 5/15/2006
4. Fee/State wells attached to bond in RBDMS on: 5/16/2006
5. Injection Projects to new operator in RBDMS on: _____
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: CO1203
2. Indian well(s) covered by Bond Number: RLB0005239
3. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG
- The Division sent response by letter on: _____

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

COMMENTS:

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☒ Other CHANGE OF OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005239

APPROVED 5/16/06

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Title

DRILLING MANAGER

Signature

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06

Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

RECEIVED

MAY 10 2006

DIV OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Brad Laney

Title

Office

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

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(Instructions on reverse)



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Colorado State Office
2850 Youngfield Street
Lakewood, Colorado 80215-7076

IN REPLY REFER TO:

CO922 (MM)
3106
COC017387 et. al.

March 23, 2006

NOTICE

Kerr-McGee Oil & Gas Onshore L.P. :
1999 Broadway, Suite 3700 : Oil & Gas
Denver, CO 80202 :

Merger/Name Change - Recognized

On February 28, 2006 this office received acceptable evidence of the following mergers and name conversion:

Kerr-McGee Oil & Gas Onshore L.P., a Delaware Limited Partnership, and Kerr-McGee Oil & Gas Onshore LLC, a Delaware Limited Partnership merger with and into Westport Oil and Gas Company L.P., a Delaware Limited Partnership, and subsequent Westport Oil & Gas Company L.P. name conversion to Kerr-McGee Oil & Gas Onshore L.P.

For our purposes the merger and name conversion was effective January 4, 2006, the date the Secretary of State of Delaware authenticated the mergers and name conversion.

Kerr-McGee Oil & Gas Onshore L.P. provided a list of oil and gas leases held by the merging parties with the request that the Bureau of Land Management change all their lease records from the named entities to the new entity, Kerr-McGee Oil & Gas Onshore L.P. In response to this request each state is asked to retrieve their own list of leases in the names of these entities from the Bureau of Land Management's (BLM) automated LR2000 data base.

The oil and gas lease files identified on the list provided by Kerr-McGee Oil & Gas Onshore L.P. have been updated as to the merger and name conversion. We have not abstracted the lease files to determine if the entities affected by the acceptance of these documents holds an interest in the lease, nor have we attempt to identify leases where the entity is the operator on the ground that maintains vested record title or operating rights interests. If additional documentation, for change of operator, is required you will be contacted directly by the appropriate Field Office. The Mineral Management Services (MMS) and other applicable BLM offices were notified of the merger with a copy of this notice

Please contact this office if you identify additional leases where the merging party maintains an interest, under our jurisdiction, and we will document the case files with a copy of this notice. If the leases are under the jurisdiction of another State Office that information will be forwarded to them for their action.

Three riders accompanied the merger/name conversion documents which will add Kerr-McGee Oil and Gas Onshore LLC as a principal to the 3 Kerr-McGee bonds maintained by the Wyoming State Office. These riders will be forward to them for their acceptance.

The Nationwide Oil & Gas Continental Casualty Company Bond #158626364 (BLM Bond #CO1203), maintained by the Colorado State Office, will remain in full force and effect until an assumption rider is accepted by the Wyoming State Office that conditions their Nationwide Safeco bond to accept all outstanding liability on the oil and gas leases attached to the Colorado bond.

If you have questions about this action you may call me at 303.239.3768.

/s/Martha L. Maxwell
Martha L. Maxwell
Land Law Examiner
Fluid Minerals Adjudication

Attachment:

List of OG Leases to each of the following offices:

MMS MRM, MS 357B-1

WY, UT, NM/OK/TX, MT/ND, WY State Offices

CO Field Offices

Wyoming State Office

Rider #1 to Bond WY2357

Rider #2 to Bond WY1865

Rider #3 to Bond WY1127



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



IN REPLY REFER TO:
3106
(UT-922)

March 27, 2006

Memorandum

To: Vernal Field Office

From: Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the merger recognized by the Bureau of Land Management, Colorado State Office. We have updated our records to reflect the merger from Westport Oil and Gas Company L.P. into Kerr-McGee Onshore Oil and Gas Company. The merger was approved effective January 4, 2006.

Chief, Branch of
Fluid Minerals

Enclosure

Approval letter from BLM COSO (2 pp)

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114
Teresa Thompson
Joe Incardine
Connie Seare
Dave Mascarenas
Susan Bauman

RECEIVED

MAR 28 2006

UT. OF OIL, GAS & MIN. (B)